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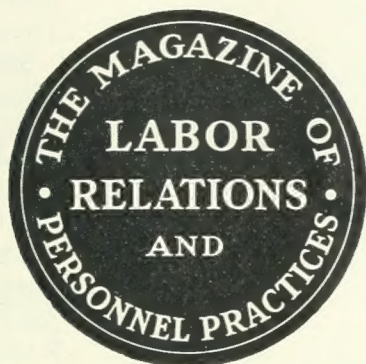




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# PERSONNEL

## Journal



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### *May 1943—April 1944*

*Managing Editor*—CHARLES S. SLOCOMBE

*Published by*  
PERSONNEL RESEARCH FEDERATION  
60 East 42nd St., New York 17, N. Y.

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# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION  
Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 1*

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Manpower in Most Areas is a Problem but Not Yet a Crisis. It Need not Become a Crisis in Any Area Unless the Employers in that Area Create that Crisis by Neglecting to Cooperate Fully and Voluntarily with the Local Office of the Manpower Commission.

# Manpower Commission Advice

BY LOUIS B. F. RAYCROFT  
War Manpower Commission, for  
Pennsylvania, New Jersey and Delaware

PITTSBURGH and the surrounding area is fortunate. There has been no appreciable shortage of manpower in this area. I know some of you will dispute that, but—comparatively speaking—it is true.

I know that you think you have had manpower problems to face. Some of you *have* had such problems. But what we have faced in the past with respect to manpower is mild compared with what we must face from here on out—until victory is won.

## *Problem But Not Crisis*

I do not anticipate a crisis in manpower—a problem, yes. But no crisis—unless the Pittsburgh area *creates* the crisis. And I do not think that will be done. No area in which so much resourcefulness, ingenuity, inventive genius, and manufacturing acumen exists could permit itself to bring about a crisis in manpower, as long as there is a way out. And there are several ways out.

Pittsburgh has been fortunate in dealing with Selective Service. Our supply of manpower was so great at the beginning of this war that Selective Service could afford to grant deferments to most workers in essential industries without impairment of the process of building a fighting force that will be double the largest America has ever known.

But now, the time has come when such deferments must be greatly curtailed. The armed forces can use but one type of man— young, strong, healthy, mentally

keen, and alert. That's the kind of men your industries have—the kind all production establishments desire.

But the supply of such men is diminishing. We already have more than five million men under arms—and they are going to stay under arms. Their forces must be doubled before the year is out. That means that Selective Service is going to take more and more of your men—faster and faster.

That is an unpleasant prospect for industry. It is a great challenge to management. But it is a certain prospect—and an imminent challenge.

There is, however, something that management can do about it. I can rationalize and systematize the Selective Service withdrawals from your plants. The War Manpower Commission and the Selective Service system have evolved a method to help you do just that. It is called the Manning Table Plan. Most of you have heard about it, but too few of you have done anything about it. I am informed that Pittsburgh is lagging behind the rest of my tri-state region in the preparation of Manning Tables and Selective Service replacement schedules.

### *Hard Arithmetic of War*

**G**ENTLEMEN—if you continue to lag, you will have to pay a most unpleasant price. Let's understand this—the Armed Forces are going to get the men they need. They must have them to win. If you have the men they want, they are going to take your men. There is no escaping that. It is fundamental in the hard arithmetic of war.

We may say: "Oh, they can't afford to disrupt our industry."

That is wrong—it is not Selective Service, but *you* who cannot afford disruption of the tremendously helpful—vitally necessary—industry of the Pittsburgh area. America cannot afford that.

So, let us take steps now to avoid such disruption—and at the same time plan to release to the armed forces the men they must have.

This tri-state region, over which I have jurisdiction on manpower matters, leads the nation in participation in the Manning Table Plan—with its concomitant Selective Service Replacement Schedules.

More than 200 establishments—including the largest in the region—and many larger than any single operating unit in this area—have submitted such plans. When those now in process of completion have been put into effect, we will have covered more than 750,000 workers in war production industry.

I hope my remarks here will stimulate much greater participation in the plan. It is designed for the protection of America's war effort—not just industry. Not just labor. Not just the armed forces. But all of them—combined into America's war machine.



### *Manpower Picture*

I THINK you all know what the manpower picture is. This country must have about 65,000,000 workers and fighters in action by the end of 1943. Our force will be at least 10,000,000 men. Our war production force will be between 20 and 25 million men and women. Civilian activities will require another 20,000,000. We must have at least 8,000,000 on the farms—full time. There will be another 3,500,000 employed in agriculture—on a seasonal basis. In addition there will be a considerable group in miscellaneous activities.

When we look at it that way, we see that just about half of our entire population is involved. It leads to the inescapable conclusion that America has not a man, nor a woman, nor a child of working years to spare. We must use them all—each in the *right place at the right time*.

Well, our manning table plan, and the Selective Service replacement schedule, is one way of getting necessary men and women into the right places at the right time.

### *Orderly Withdrawal of Employees*

THAT plan has been explained before. Perhaps most of you know about it. It will do no harm, however, for me to run through a quick explanation.

To facilitate orderly withdrawal of workers from war plants, we have devised the plan. As I said before, it operates in company with a Selective Service replacement schedule.

Business firms with 75 per cent of their volume devoted to war production may participate. The Manning Table is simply a plan by which an employer makes an inventory of his manpower—by occupation, age, sex, and draft status. It shows also an estimate of the time required to train a replacement for each job.

This enables an employer to figure out how he stands in the matter of losing men to the armed forces. It gives him an accurate idea of what he can do to replace those men who have no great skill that requires extended training.

### *Replacement Schedules*

THE replacement schedule is simply a list of the draft-liable men in any establishment, with draft status, *and the month in which the employer can release them for military duty*.

Small plants generally may use the replacement schedule alone. Medium sized plants may use the replacement schedule alone in some cases—the exceptions being when the Manning Table appears essential to the development of a *satisfactory* program of *replacement* and of *labor utilization*. In most cases, the plant with 200 to 500 employees will find it necessary and *helpful* to have both the Manning Table and the replacement schedule in operation. Larger plants *must* prepare both—the Manning Table and the replacement schedule. These cannot prepare an intelligent replace-

ment schedule without the manpower analysis inherent in the preparation of the Manning Table.

The War Manpower Commission and the Selective Service officials pass upon the acceptability of both replacement and Manning Tables. To be acceptable, they must provide for release of a substantial percentage of draft-liable workers for military duty *each month*. When they are approved, such plans give to the local draft boards a basis for passing upon occupational deferment requests—with full assurance that the plant has a plan acceptable both to the War Manpower Commission and State Selective Service Headquarters.

We have done *much* to put these plans in effective operation. Yet, we have not done enough. The plans are not coming in fast enough. Not enough plants have yet come to a realization of the urgency of this situation. But they will. They will realize it when their requests for deferment of workers gain scant consideration from local draft boards, because there is no sound plan back of the requests. Local Boards are human. They are patriotic. They are sensible. They are not going to devote hours to a single deferment request when it can be handled by a glance at a 42-A form and a brief examination of the State Selective Service acceptance stamp thereon. This *should* be notice to any in this audience who are eligible to participate in the Manning Table plan—and have not done so—that the time has come to get your Tables and replacement schedules in.

The plans now approved provide for *substantial* withdrawals of draft-age men from war plants—on an *orderly* basis. And the withdrawals this Spring, next Summer and Fall will be tremendous in comparison with those of previous seasons.

### *Advance Orders to Employment Service*

**A**S YOU release men, you must replace them of course. So it is my considered advice that the full force of Pittsburgh industry be thrown behind a definite system—both of releases and replacements.

This serves three purposes—the Manning Table, the replacement schedule and the full use of replacement material:

1. It teaches the employer much more about his own organization than he has ever known before.
2. It helps the United States Employment Service to do a better job of replacing the help you lose—because they have advance notice—and they *should* have advance orders, definite commitments.
3. The system rationalizes your Selective Service withdrawals. That means something. And if you do not think so now, you will if you ignore my suggestions. It would be embarrassing to any plant to have Selective Service haul out 1,000 or 2,000 men in one month—no matter what their grades of employment. And, gentlemen, that can happen without a definite agreement with the War Manpower Commission and Selective Service.

All right—let's leave that most important matter. I leave it with *you*.

*Walkouts and Quits*

NEXT I come to a matter which has worried personnel men who have failed to give it *constructive* thought. That means simply—labor turnover. Labor turnover in its worst sense. Walkouts! Quits! Severance that may mean valuable men and women lost to the labor market in our hour of crisis.

It is unforgivable that such things should be permitted if they arise from misunderstandings. So I have a word of advice for the personnel men.

The majority of quits in war plants are unnecessary. We made a study of projected quits in two Pittsburgh plants. I cannot name them, but they have good personnel practices.

*Why Workers Quit*

THE sum total of results was this. 400 men and women wanted to walk out—just resign, not strike. These plants had enlightened personnel men. They decided to do something about this loss of valuable workers. They inaugurated what was known as the Exit Interview. That means, simply, that people who were ready to quit were called in to talk the matter over—sympathetically, realistically—in a friendly mood.

What did they find? Out of 400 plus intended quits, they found that about one-half were on the verge of being discharged as unsatisfactory. These, they discovered—or the most of them—did not have proper supervision, or had not been indoctrinated with the importance of their jobs.

Exit Interviews in which differences were straightened out resulted in only 65 losses. One hundred and sixty workers who were on the way out were sent back to their jobs. This was done through good personnel practice.

That is something we cannot ignore in times like these. Workers are too valuable to be lost through bad handling. They are too valuable to the war effort. We cannot afford to drive people out of the labor market.

*Western Electric Scheme*

LET me tell you what a couple of good companies in the Philadelphia area are doing. I think they are doing a magnificent job. They are not only holding their workers, but they are increasing their forces. They are doing it with a minimum of turnover. And that's real progress.

They employ an employee counselor for every 150 employees. When difficulties of any kind come up, these employees look up the counselor. This counselor listens with a sympathetic ear. Minor difficulties are straightened out in a minute. Major ones take more time. But all of them are straightened out.

At least one plant there may be more in the Pittsburgh area is using this system. It is working.



This is an adaptation of the Western Electric plan, described in "Management and the Worker" by Roethlisberger and Dickson, and in the November 1939 issue of the Personnel Journal.

I think I need say no more about good personnel practices. They will make or break our war effort. I abhor compulsion. I hope it never comes. If it does come it will be uncalled for. It will be the result of people failing to sit down and talk things over.

Now I come to the matter of labor utilization. I have told you something about imminent Selective Service withdrawals. Gentlemen, if there ever was hand-writing on the wall, it is there now.

What I have told you may easily be translated into this maxim: "We're not going to have too many men left; let's use them to the best possible advantage."

What does that mean? It means, first, upgrading every worker to the highest possible maximum of his skill and ability to assume responsibility. That will take care of some of your supervisory problems. Next, it means utilizing the full local labor force. Don't expect to import many people—and these will be only those of the highest skills. We must abandon discrimination; use what we have.

### *Training Within Industry*

NEXT, it means using to the fullest our Training Within Industry program. Most of the industries in Southwestern Pennsylvania are doing that.

Certainly it means planning now a sound and effective pre-employment training program. I don't care what you say—pre-employment training not only knocks the rough edges off prospective workers; it screens out those who will not stay. Further, it enables you to get an advance estimate of how far in your plant a trainee may be expected to go before he or she gets into the plant. Use our vocational schools and the N. Y. A.

We must remember that men and these women in the list of non-deferable occupations and activities are looking for jobs. They can learn. Let's use them. They are not only the best we have from which to draw; they are about all.

I recognize the fact that Pittsburgh has heavy industry. I recognize the fact that women are frowned upon here—largely because the industry is of the "heavy" classification. Yet, there are many jobs that can be diluted—broken down into component parts—and women can be taught to handle them. Gentlemen—before this war is over, most industrial plants that now turn women down are going to be crying for them.

The greater Pittsburgh area—Southwestern Pennsylvania—will need roughly 100,000 more war workers before next December 7th—the second anniversary of the attack on Pearl Harbor. We have listed—as a minimum—an absolute minimum, a need for about 35,000 women. These have been broken down by sub-areas.

*Fully Utilize Local Labor*

**B**UT I want to point out that—regardless of whether you do everything we suggest—Pittsburgh faces the threat of a labor shortage before the year is out. We do not want a labor shortage area here. If it is at all avoidable, let's avoid it. There's only one way to do it. That is to practice the plan I have just outlined.

Especially, fully utilize local labor supply, without discrimination. And especially use women wherever they can fit in. And they can fill about 80 per cent of all war jobs, well. As a matter of fact, of 1,900 war production jobs studied to date, only 56 are wholly unsuitable for women. Next, upgrade. That means better use of the labor you have.

Gentlemen, do this for America. By doing it, you will avoid the rigid hiring controls that are mandatory upon an area that is declared critical. You will avoid a curtailment or abrogation of your contracts.

Let's talk a minute about women. The foreman of a tin shop in one of the nation's largest shipyards was riding home in a bus the other night with one of my men. They got to talking about women. He admitted that he had kicked like a bay steer when the boss told him a few months ago that he *must* take women into the sacred precincts of his tin shop. But he took the first few. He was surprised. They did a bang-up job. Then more came in. They did as well as the men. And this foreman concluded his observations with the remark: "I wouldn't care if they took every man out of the tin shop. The girls can do as good a job any day."

*Prejudice and Old-fogyism*

**T**HAT's experience talking. When we find objections to hiring women, that's prejudice and old-fogyism talking.

And I want to tell you, it is disheartening to see splendid, capable, willing women—women who want to help win the war and can do so—rejected by some of the employers who will be howling for some of those women within the next few months.

If employers don't get their hiring specifications down, they're liable to see their contract volume down.

The need for women in jobs that are not straight war production, but are essential to the support of the war effort is going to be great. But restaurants still want men waiters—men capable of doing heavy work or fighting. That's the attitude.

*Luck May Change to Hunger*

**T**HE American people are faced with the most serious problem of all time in the matter of raising food. But men don't want to work on the farms. And the farmers don't want women and young people—which is about all they can get. We are going to give the farmers enough help to handle bigger food crops than ever, but it will be inexperienced help. None of us here are farmers of any consequence, but if any of us have any influence with farmers, we had better begin to use it now

to convince them that women can do and are doing excellent jobs on farms in other sections of the country. We have just been lucky here in not needing them on farms in great numbers. But, unless our attitude changes, that luck will change to hunger.

I want my remarks on the use of women in all kinds of work to be taken to heart. There is no tremendous immediate need but it will come in a very few weeks, when the Selective Service dragnet begins to make its Spring haul. And, it takes time and preparation to train and integrate women into most war jobs, especially since the majority will have had no experience in such work.

The acceptance of women workers is only one of the problems we face. We are asking employers to help us curtail unwarranted transfers of workers from one job to another. We are asking the unions to help us on that, also.

### *Releases for Workers*

BY THE same token, we are asking employers to give releases to workers who are clearly qualified to receive them. Under the employment stabilization plan, adopted by the War Manpower Committee of this region, composed of equal management and labor representation, employers are asked to give a statement of availability to any worker under any one of five conditions. That statement of availability should be addressed to the United States Employment Service, one of the operating arms of the War Manpower Commission. It should not be carte blanche for the worker to go shopping for another job, purely as a matter of personal preference. It is the policy of the War Manpower Commission to discourage such shopping about. We are justified because job shopping and job changes lose time from the war effort. They increase turnover. They increase training costs. We do not want job freezing, but we do want stick-to-it-iveness. And we want to know that, when a worker leaves one war job, he will go into another that is just as helpful to the war effort. That's why we want employers to release men to the UNITED STATES EMPLOYMENT SERVICE and not to whom it may concern. If they are sent to the employment service, we can direct them to jobs where they are really needed.

Employers have been shirking their burden on this matter. They have sent men to the U.S.E.S. to obtain releases when they should have sent them there with statements of availability. So we have had bottlenecks and our work has been hampered, and delays and log-jams have occurred, and valuable time has been lost from the war effort.

### *See All the Angles*

AGAIN, I must point out that all the blame does not rest upon the employers. Workers have disregarded their obligation also and have come to us with requests for releases which were wholly unwarranted. In such cases we have to deny the request, and we try to persuade the worker to return to his job. When



the matter is handled properly and intelligently by our people, we generally succeed. Our workers are patriotic citizens. Sometimes they—like industry and government—just don't see all the angles.

Here are the conditions under which workers should be given statements of availability by their employers:

- (1) If the worker is competent to perform higher skilled work than his employer is able to or willing to provide.
- (2) When the worker is employed for a substantial period at less than full time.
- (3) When the distance between the worker's residence and his place of employment is unreasonably great (considering the restrictions on the use of gasoline and tires and the availability of reasonable transportation facilities) and he has prospective employment that is substantially closer or more accessible.
- (4) When the worker is employed at an hourly rate of pay or under working conditions substantially less favorable than those prevailing in the community for the kind of work in which he is engaged.
- (5) When the worker has compelling personal reasons for wishing to change his employment.

As I said, if employers refuse to grant releases to workers under any of the above conditions, they will be referred to other employers by the United States Employment Service—and the other employer will be free to hire them. But we want employers to do *their* job.

### *Critical Area Plan*

I HOPE we can rely upon them to do it, as a patriotic service and I believe we can. I have had every indication of that in recent days.

Now, I should like to mention one or two other matters. One is the controlled hiring plan for critical areas. We have only one critical area in our Region. That is at Somerville, N. J. We are trying to work out that situation and we are fortunate in being able to gain our initial experience in a relatively small area. We have not finished the job there. We're making haste slowly.

But we want to avoid having any more areas classified as critical if we can possibly do so.

Then there is a mandatory 48-hour minimum week order. This is not operative in Pittsburgh, or anywhere else in our three states, except Somerville. *Not yet.* But the day is coming. I consider it inevitable in Pittsburgh.

Consequently, I have made public announcement of our desire to have every business firm in this area go on a minimum 48-hour week, voluntarily.

I hope that can be accomplished fully by July first. I think that will save confusion. It may save compulsion. But the 48-hour minimum week must be predicated on one of three premises:

- (1) That it will contribute to the war effort by making possible the production of more necessary material, or more necessary services, with the same force of workers.
- (2) That it will release workers—who can be transferred promptly to other jobs. (It must not result in release of workers who cannot be assured other jobs.)
- (3) It will either curtail or prevent additional hiring.

### *Go on 48-Hour Week*

**I**F BY any of these standards, any establishment—essential or not—is not now working the minimum 48-hour week, it should adopt that policy as soon as possible. If any establishment cannot help the war effort by adoption of that policy on one of those premises, it should prepare—and hold, not submit—a brief of its case. We will ask for it when the time comes. But it should be based on sound thought and unselfish consideration.

It is probable that I shall have to make the 48-hour week mandatory at an early date in the lumber and non-ferrous mining industries. That includes aluminum. I have not completed plans for that yet—and I am not ready to talk much about its implications. But it is a national order, with respect to those industries.

We receive many inquiries as to what is essential and what is not. We have a list of 35 essential activities. These are essential to prosecution of the war or support of the war effort.

I understand, believe and most earnestly hope, that considerable discretion will be given to me in the determination of essentiality in my three states. In anticipation of that, I am preparing a list which will augment the national list. It will include some civilian services. It will include most really necessary activities. And it will not be a shield against the draft—except that it may result in some reshuffling of the order in which selectees will be called.

### *No Shield Against Draft*

**T**HERE is no positive shield against the draft for any man able to fight. There should be none. But decisions will have to be made all along the line on which men should go first.

Gentlemen, we have but one objective—victory! If we accomplish that we shall have done a great service to our nation. If we do not, we shall have missed the opportunity to save our people and humanity a great amount of suffering and travail. I know we can accomplish it. I believe we will accomplish it. And I hope most fervently that we shall reach our goal by voluntary methods.

It is a big job. It is a tough job. And, gentlemen, it is *your* job.

*Address of Louis B. I. Raycroft, Regional Director, War Manpower Commission, for Pennsylvania, New Jersey and Delaware, delivered at Pittsburgh, Penna., at meeting sponsored by local chapters of National Office Management Association, Pittsburgh Personnel Association, Society for Advancement of Management, and Controllers Institute of America.*

With So many New People Coming into Factories with No Previous Factory Work Experience Tests of Their Potential Abilities for Machine Work are Essential

# Mechanical Comprehension *and* Dexterity

BY GEORGE K. BENNETT AND RICHARD A.  
FEAR

Psychological Corporation  
New York, N. Y.

SUCCESSFUL operators of such machine tools as turret lathes, precision grinders, milling machines and Bullard automatics can be selected with reasonable certainty by properly chosen and installed employment tests. This fact is revealed in a recently completed study conducted by the authors over a period of a year in the Martin & Schwartz Company, Inc., subsidiary of Sun Oil Company in Salisbury, Maryland.

Confronted with the necessity of shifting plant facilities from peace-time manufacture of gasoline pumps to war-time construction of ordnance material for the Army and Navy, the management of this company turned to psychological tests as an aid in making this conversion. Since the ordnance work would consist almost wholly of machining operations the problem became twofold: 1. to discover who among present employees performing non-machining tasks, such as assembly and maintenance, had the ability to learn the operation of machine tools and 2. to hire additional new employees most suitable for this type of work.

## *Proper Test Technique*

WHERE tests have failed, the reason can frequently be traced to the fact that the installation has been attempted by inexperienced people who lack the proper background and training for determining what tests to use and how to interpret results once tests have been given. The choice of appropriate tests in any company always depends upon a careful preliminary study of the jobs for which applicants are to be selected, or to which employees are to be upgraded.



*Determining Most Appropriate Tests*

IN ACCORDANCE with this point of view, machining jobs at the Martin and Schwartz Company were carefully analyzed from the standpoint of the kind of abilities needed for job success. This involved observation of operators at work on the various machines, discussion with supervisors and talks with the operators themselves. The results of this study are reflected in the kind of tests included in the original test battery:

1. Revised Beta (non-verbal intelligence)
2. Bennett Mechanical Comprehension
3. Two-Hand Coordination Test
4. Hand-Eye Coordination Test
5. Hand-Tool Dexterity Test

The first two of the above tests are paper and pencil forms measuring, respectively, non-verbal intelligence and ability to understand mechanical relationships. The latter three are apparatus tests which had been previously designed and found effective in selecting applicants for other types of mechanical positions. On the two-hand coordination test, also known as the Wisconsin miniature test for the engine lathe the person being tested tries to follow a given pattern with a pointer by simultaneously turning two cranks attached to lathe feed screws.

The hand-eye coordination test is set up like a drill press so that the subject attempts to feed a dummy drill into a series of holes in a drill plate without touching the margins of the holes. The hand-tool dexterity apparatus measures proficiency in using wrench and screw driver. The applicant is required to take apart 12 bolt and nut units and reassemble them in another position. Though relatively simple in themselves, the effectiveness of these tests depends upon the skill and training of the person who administers them and interprets the results.

*Checking Value of Tests*

ONCE the above series of tests had been selected, the next step logically involved a preliminary check to determine their effectiveness. Accordingly, a group of forty present employees of known ability were asked to take the tests. The results of this check showed that the best workers almost invariably tended to score high on the tests, while the less efficient operators scored substantially lower. This was regarded as sufficient evidence of the value of these tests to justify their trial use, both for hiring new workers and shifting present employees from non-machining jobs.

It was recognized, of course, that the same good results obtained with testing employees might not hold with regard to applicants, due to the fact that those already employed possessed varying degrees of training on the job. But in view of the fact that periodic follow-up studies were to be made on the results of testing applicants, a basis for any required modification of the original battery of tests would

be available. Both new applicants and present employees in other types of work were therefore given the entire group of five tests. Assignments for training as machine operators were made, in so far as possible, in accordance with favorable test scores.

Further analysis showed that men could be selected well with only two of the tests—Mechanical Comprehension and Hand Tool Dexterity. The others were therefore dropped.

### *Training the Test Administrator*

TO INSURE proper administration of the tests, a qualified person already employed in the company was given special training along these lines. The testing of present employees supplied an admirable means of accomplishing this training since it provided both an opportunity for the consultant to demonstrate correct test administration procedure and a chance for the person being trained to give the tests himself under expert guidance. During this process, particular emphasis was placed on the many intangible factors that can do so much to influence the final test score.

Prominent among these are: (1) elimination of any initial tension on the part of those taking the tests, (2) proper voice inflection, (3) good diction, (4) great care in making certain that all testees understand test instructions before being allowed to proceed to the test itself, and (5) assurance that physical conditions of the testing room are maintained at a constant level for successive groups of applicants.

### *Results*

ABOUT twelve months after this program was initiated, systematic ratings were obtained from shop supervisors who had intimate knowledge of the proficiency of both reassigned employees and new workers. Each employee was rated on a five point scale. The relationship between test scores and ratings was then determined. To facilitate evaluation of test scores, the combined average total of the five tests was reported in terms of "A," "B," "C," and "D". "A" represented the top 20 percent or 81st to 100th percentile; "B," 61st to 80th percentile; "C," 31st to 60th percentile and "D" the bottom 30 percent. Only new applicants scoring "A" or "B" on the tests were hired, but present employees, of course, were found to fall into a more or less normal distribution, some high, some average, and some low. The correspondence between tests scores and subsequent job performance is shown on the chart below. Both applicants and reassigned employees are included in this analysis (Figure I).

It will be seen from Figure I that the following relationship exists between scores on the tests and ratings on the job:

1. 91 percent of workers rated as "excellent" on the job scored "A" or "B" on the tests.
2. 75 percent of those rated as "good" on the job scored "A" or "B" on the tests.

3. The proportion of persons with high test scores ("A") decreases progressively as the supervisor's ratings go from "excellent" to "poor," while the proportion of men with low scores ("D") shows a corresponding increase. For example, there are no "D" test scores among those rated as "excellent" on the job and no "A" test scores among those rated as "below average" and "poor" on the job.

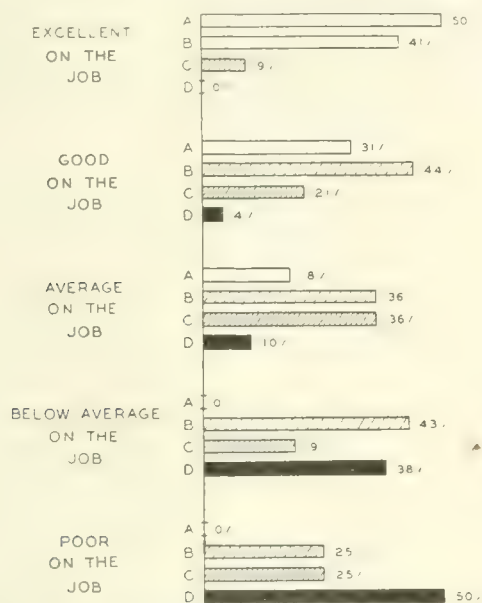


FIG. 1. RELATIONSHIP BETWEEN TEST SCORES AND JOB PROFICIENCY RATING.  
The letters "A," "B," "C," "D" refer to the total test scores as described in text

#### CHART I

### *Experience with New Men*

AS MIGHT be expected in view of the fact that only applicants scoring "A" or "B" on the tests were employed, the job proficiency ratings on men hired since tests were installed are appreciably higher than those of older employees. This is revealed as follows:

1. Of all new men hired since tests were installed, 76 percent were rated as "excellent" or "good" on the job.
2. Of all men hired since tests were installed, only 8 percent were rated as "below average." None were rated as "poor."
3. Not a single new man hired since tests were introduced as part of the selection procedure has had to be dismissed because of lack of ability to do the job.

In addition to the significant correspondence between test scores and job ratings described above, this study also revealed that excellent potential material for higher grade jobs often exists where one might least expect to find it. Some men working in such unrelated jobs as stock clerk and shipping clerk scored very high on the tests



and were subsequently transferred to machine operation. In every such instance, these men became proficient operators after a minimum training period.

### *Statistical Evaluation*

ALTHOUGH it is apparent from results indicated above that the entire series of five tests has worked reasonably well in the selection of machine-tool operators, analysis of the relation of each test with success on the job, and of each test with every other test, was carried out to see if this prediction could be improved. These correlations are shown in Table I.

TABLE I  
SHOWING THE COEFFICIENTS OF CORRELATION OF TEST SCORES WITH SUPERVISOR'S RATING AND WITH OTHER TESTS  
SCORES N 66

		(1)	(2)	(3)	(4)	(5)
Supervisor's Rating		.37	.64	.40	.41	.46
Revised Beta	1		.59	.36	.46	.26
Mechanical Comprehension Form A.A.	2			.45	.45	.42
Two-Hand Coordination	3				.36	.51
Hand-Eye Coordination	4					.47
Hand-Tool Dexterity	5					

### *Reduction of Test Battery*

FURTHER analysis of these results indicates that two of the tests, Mechanical Comprehension and Hand-Tool Dexterity, in combination, will permit slightly better prediction than will the unweighted combination of all five tests. The multiple correlation of these two tests with the ratings is .67, as against a correlation of .59 for the sum of all the tests. Only 17 percent of those persons falling below the average of the group on these two tests were rated as "good" or "excellent" on the job, whereas 69 percent of the persons with better scores on the tests were considered "good" or "excellent" workers.

It is apparent from the above that three of the initial group of five tests can now be eliminated because the Mechanical Comprehension and Hand-Tool Dexterity tests alone provide the best prediction of subsequent job success. This will mean considerable saving in both time and money, for these two tests can be administered in a period of about 35 minutes per applicant.

### *Conclusions*

WHILE psychological tests cannot infallibly indicate the future proficiency of a machine-tool operator, they do provide a reasonably accurate estimate of his probable success. Tests chosen *on the basis of familiarity with the job and experience in industrial selection* can, in a period of a few days, be set up by persons proficient in

their use in such a way as to provide appreciable help in selection. Further analysis of the initial battery of tests, in this instance at least, permits reduction of the number of tests used while increasing the efficiency of prediction. An inventory of the abilities of existing personnel will frequently reveal excellent potentialities among persons now employed in low-level jobs.

In Accordance with the Recommendation of the War Production Board, Joint Management-labor Production Committees Were Established in Many Plants of U.S. Steel and Are Contributing Increased Production.

# Big Steel

U.S. STEEL CORPORATION  
New York, N. Y.  
Digest and Analysis of  
41st Annual Report

THE U. S. Steel Corporation is as much a part of the United States as is the State of Texas. It is not often thought of as such. It often is thought of as a high hungry monopolistic corporation, sucking blood out of the people of the United States, and its workers, on behalf of a group of already over-rich stockholders, and giving the people as little as possible for their money.

The job of the State of Texas is to care for the welfare of the people of that state as well as possible, to help them to increase the amount of the products which they contribute to the whole of the United States, and to see that the workers of Texas, farmers and laborers, have an increasing standard of living.

## *Analysis of Job Done*

WHETHER the liberals and pseudo-liberals, who are critical of the U. S. Steel Corporation ascribe bad motives to the U. S. Steel Corporation, or not, does not matter very much. For an analysis of the operations of the Corporation, since the beginning of the century, indicate that the Corporation has in fact done about the same sort of job for the people of the United States, as has the State of Texas.

The U. S. Steel Corporation is one of those companies which makes available to the public, its stockholders and employees, a wealth of information about its operations and policies. We propose below to analyse and review their 41st Annual Report, which gives information of their operations since their beginning in 1902.



*Manpower Operations*

THE accompanying Chart I shows the number of workers that have been on their payroll since their beginning. It shows also the number of tons of ingots of steel they have produced each year.

At the bottom is shown the number of ingots produced per total number of employees (including salaried workers). A trend line is drawn through this latter line to see how much increase in physical volume per worker there has been.

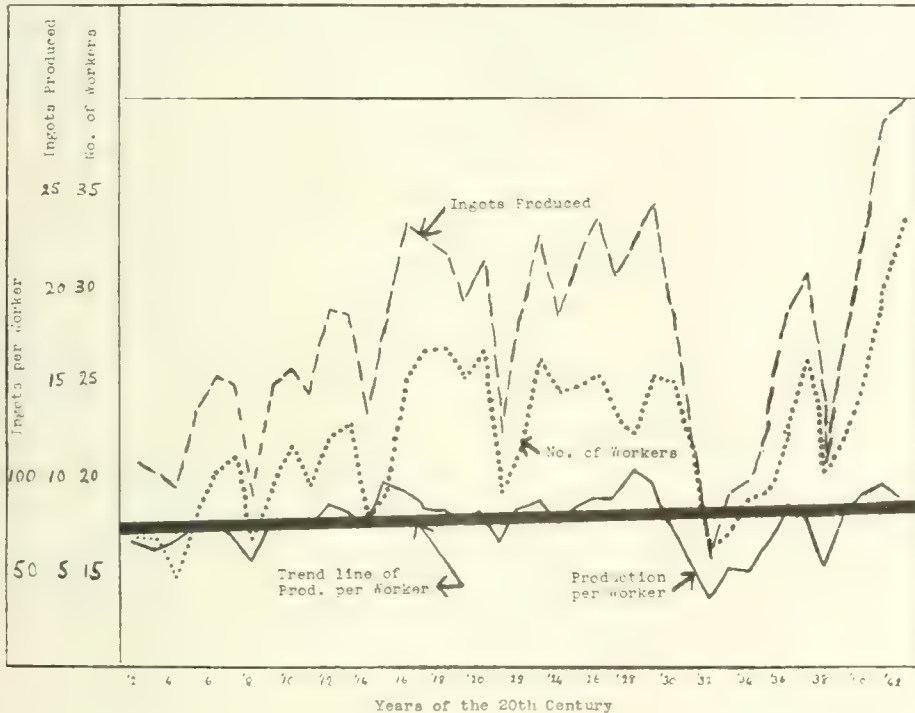


CHART I

We may analyse and comment on these lines thus:

We see a tremendous variation, from year to year in the number of tons of production, reflecting a tremendous annual variation in the amount of the products of the Corporation ordered by American and foreign people. This fluctuation places a tremendous strain upon the managerial and planning departments of the Corporation, a strain which is little recognized.

We see consequent violent yearly fluctuations in the number of workers on the payroll of the Corporation. These are somewhat less violent than the fluctuations of production, because from the nature of the business, in times of low production, it is not possible or desirable to drop men off as fast as production drops off, and on the uprise the additions to payroll do not need to be as rapid as increases in production.

Hence the violence of employment change is not as great as the violence of production changes.

However, the number of men on the payroll varies from year to year in a manner that must be very distressing to the employees. For large numbers of them, it makes it virtually impossible for them to plan their lives, in terms of house purchase, furniture and automobile purchase, number and time of children to be had, education of children, etc.

We do not see that the U. S. Steel Corporation can be in any way blamed for this fluctuation in its employment, which directly follows the fluctuation in world demands for its products. No country or company in the world has yet been able to avoid such fluctuations, no matter how much government planning they have put in.

The only answer, with all their disadvantages, seem to be Security plans of the Beveridge type, which will ensure to the worker at least a minimum basis of planning of his private life, in the matters of housing, child bearing and child education.

### *Increased Ingot Output per Man Small*

THE third line on this chart, with its trend line, is the most surprising of all. Over forty years, with all the mechanical and engineering improvements in methods and products which the U. S. Steel Corporation has put in, there has been almost no increase in the production of steel ingots per worker.

This of course, is not the whole picture. In the first place, workers include all people on the payroll of the Corporation, including salaried people. But, more important to recognise is the fact that ingots of steel are the first basic products of the Corporation—and that increasingly these basic products have been going through pre-fabricating and fabricating processes within the Corporation. Thus the amount of labor required per ton of final product has been increasing.

### *Sales and Wages*

OUR next Chart II reflects the effects of this forty year trend. It shows the annual value of products and services sold by the Corporation per worker. It also shows the annual wages per worker. And finally it shows the percent of sales value received that went to workers. A trend line is drawn through the last line.

The notable things about this chart are: the increase in value of material produced per worker, as reflecting the increased degree of prefabrication and fabrication per ton of product, and the increasing use of more machinery, and more highly skilled labor: the increase of wages per worker.

Wages are in terms of annual takeout. The annual requirements of a worker with a family of wife and two children, to maintain a thoroughly decent standard of living range around \$2000 to \$2100, possibly higher since the cost of living went up.

It is evident therefore that the U. S. Steel Corporation is now paying its employees, on the average, the full amount that is required by a family to maintain good standards of living, as determined by such agencies as the Dept. of Labor and the Heller Foundation. (The unfortunate inclusion of salaries in figures of payment to

workers leaves this a little open to doubt, and might well be remedied in the next annual report.)

### *Percent to Workers Increased*

THE last line of this chart, together with the trend line drawn through it, is perhaps the most interesting, in answer to any criticisms that might be made as to the wage policy of the Corporation.

In it we see that, according to the approximate trend line, the percentage of value received by the Corporation for sales and services that has gone to compensation of workers has increased, over the life of the Corporation, from 34% to 48%.

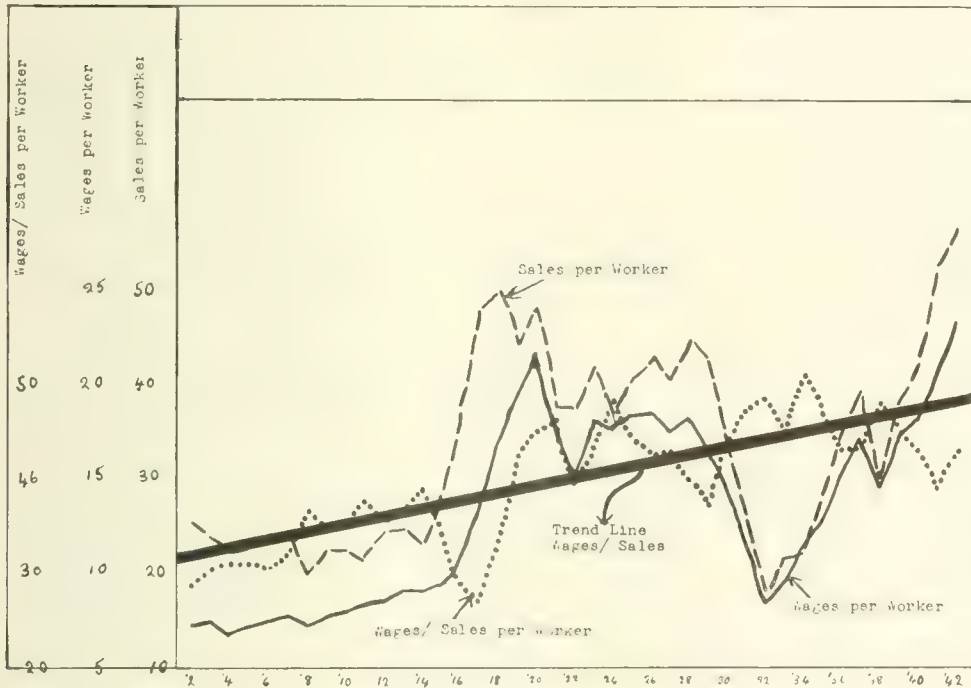


CHART II

Steel has always been a high labor cost industry, and there is here indication that, in spite of all its mechanization, of a so-called labor saving type, labor has over the years *increased* its takeout proportion of the total sales value received by the Corporation.

In this respect the evidence denies the assertion that the Corporation has made such profits as it has made at the expense of labor—or by grinding down the wages of labor—for the contribution that labor has made to the value of products and services sold by the Corporation, has increasingly been compensated for.

We do not wish, at this time, to introduce any arguments which might tend to break down the amicable relations which exist between the Steel Workers Union and the U. S. Steel Corporation. But we would like to complete this part of our analysis by pointing out that the organization of the U. S. Steel employees by the CIO does not,



according to the figures shown in the Annual Report of the Corporation, seem to have had the slightest effect upon basic economic trends which were in existence prior to the organization of the workers.

### *Economic Effect of Union*

WHILE wages per worker have increased considerably since their organization by the Steel Workers Union, the percentage of sales value taken out in wages has, in general, declined. These are normal economical variations in times of expansion, and the union has not, as far as can be seen, affected them. (There are, of course, other tangible values that a union can bring into a situation, but these are not part of this discussion.)

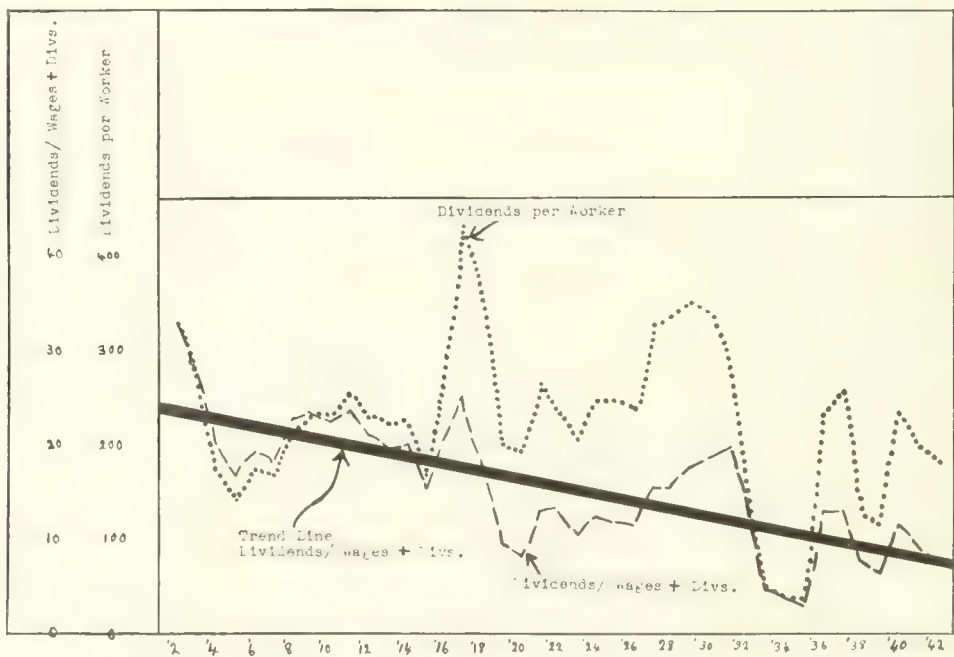


CHART III

If the United States Steel Corporation has given an increasing proportion of its revenue from sales of products and services to workers, how much has it taken out in dividends for its stockholders?

We show this in Chart III. We show the dividends (total on preferred and common stock) per employee. We also show the dividends paid as a percentage of the total amount paid to employees and stockholders. We draw an approximate trend line through the latter percentage.

Looking at this last trend line, we see that on the average since the Corporation was founded, of the monies available for splitting up between workers and stockholders, the percentage that the stockholders have received has been reduced from approximately 23% to approximately 8.5%.

Concluding our analysis of the 41st Annual Report of the U. S. Steel Corporation, we see aspects: (1) The Corporation has increased its usefulness to America and the world in increasing the gross amount of its steel production available for their use, and the increased degree of finishing of its products that it has made available.

(2) It has not done this by grinding down the wages of its workers, so that its stockholders may apportion to themselves undue profits.

(3) In actual fact, the figures show that, from the inception of the Corporation, the percentage of its sales revenue that has gone to raise the standard of living of its employees has constantly increased, and the percentage that has gone to stockholders has constantly decreased. (In addition to this has been, of course, the constantly increasing amounts paid into the national Treasury, as taxes, for the general welfare of the nation.)

(4) It has not succeeded in stabilizing its production, or its employment, so that a reasonable degree of income security is available to its workers or stockholders. But these problems lie beyond the scope of operations of the executives of the Corporation—are matters of national and world economy—which no nation has yet been able to solve. These, perhaps, had best be taken care of in view of the world's limited knowledge, by some Security plans for employees.

(5) Its public relations department has not yet succeeded in getting across to the American people the idea that the U. S. Steel Corporation is as much a part of the United States as is the State of Texas, and that the United States would suffer as great a loss if the U. S. Steel Corporation went out of existence as it would as if the State of Texas went out of the Union.

It is vitally essential that Industrial Relations men should use such influence as they have, to see that the Public Relations departments of their companies get to work to educate their employees, and the residents of their communities, in the fundamentals of the relationship of free enterprise to the continuance of good managerial ability, as exhibited in this review, so that the essential contribution of their companies to the welfare of the United States may be fully realized.

An Individual Who is Unhappy in His Job Cannot be Compensated for That Unhappiness With Money. Many Have Had the Experience of Taking a Job at Higher Pay, and Being so Unhappy in It that They Could not Stay.

# Adjust Jobs *to* Men

BY EUGENE BENGE  
Chicago, Illinois

**M**ANAGEMENT today is, or should be based upon a belief in the importance of the individual worker and citizen. This has four aspects: (1) Adjustment, (2) Skill Development, (3) Motivation, (4) Leadership.

## *Adjustment*

**F**IRST, as to "Adjustment". The normal management viewpoint is to find an employee to fit a job. You say that's sensible enough, and I have to concur. But why not invert that viewpoint? Why not say, "Let us load upon each employee the tasks which his abilities permit?" Notice I used the word "Load". I use it advisedly.

All of us must have had the experience of loading something upon an employee and having that employee crack up under it, or be unequal to it, or in one way or another show that your loading was wrong. When you made that realization, you were working with one of the concepts of modern management because it says, "Let's start with the employee". You must know what kinds of load, and how much, each employee can stand. You have to know it by observation, by the use of aptitude tests, by promotional tests, by conferences, by merit ratings, by personnel records, or any other way you can get to have systematic, or factual, knowledge as to what the employee is capable of.

You see, then, it is only the idea of selection turned inside out. If, instead of just selecting an employee and putting him into a job to fill the gap, your viewpoint is the inverse of that, selecting the duties for existing employees or for new employees



that come in, you will find yourself ultimately, bringing in higher type people and being able to assign to employees more than you otherwise would have assigned.

### *Adjust Job to Capacities*

**I**F you will think that through and realize you are adjusting to the peculiar capacities and interests of employees, you will see that obviously, on the average, you would have employees turn out more than if you simply took an employee and put him on the payroll and assigned a job of definitive limits to him.

Now what I am suggesting is not easy. It is not easy for the supervisor, because he has to think in advance. But it's a darn sight easier to do it in advance than constantly to be handling the maladjustments and transfers and moving of load from this desk to that desk, because by trial and error you did not hit it right in the first place.

I want to talk about the capabilities and talk about the interests of people. As we see it, people succeed pretty well because of those two factors. Ability alone does not make for high success, and it is true of all of us, as well as of those who work for us. Interest alone does not make for high success. You see, some people of high ability and low interest, who fail to persevere; and also you see some people of high interest and low ability who will continue doggedly at a task for which they are poorly adapted.

### *Abilities and Interests*

**B**UT when you have that rare combination of a person who has natural abilities for a task, and combines that with high interest, then you have the winning combination.

Further, as we see it in our analysis, you can subdivide ability into four categories. Those are: **Physical, Mental, Mechanical, and Social.**

The physical refers to, first, the overall physical power of an individual, and second, the energy. We must disassociate the static or physique aspects of an individual from the dynamic or the energy aspects.

Many persons, many of us, are partial failures, because we fail to pay attention to physical development. We have a rule in our little organization, when you find cases of maladjustment, look for the physical cause first. Many times it will account for obvious maladjustments, and you don't have to seek any further. You may boil down a situation to indigestion, liver trouble, bad eyesight, flat feet, or something equally banal.

### *Mental Development*

**A**S to mental development, use the aptitude tests which are available to you. We have found it possible to analyze the mental abilities of people into five usable classifications, which are memory, number facility, word facility, spatial perception,

and reasoning. You will find that a very useful classification to determine how you will find the best work for an individual.

I once saw two persons brought in for market research, of equal intelligence, measured on a general intelligence scale. Nevertheless, the constituent parts of that intelligence varied widely. One of them had high reasoning and high number ability. He succeeded. The other had high verbal ability. He failed.

### *Mechanical Ability*

As to the third area of ability, mechanical ability, I am using it in a larger sense. It doesn't just refer to a mechanic at a bench. It refers to the combination of visualization, or spatial perception, with the ability to perform with the hands. Now in that sense, a draftsman, a milliner, an interior decorator, a dentist, a surgeon poking around for your appendix, as well as our normal concept of skilled mechanics, have mechanical ability. You find it quite a bit in offices. If individuals are called upon to exercise some of those abilities and lack them, then you will either get poor quality of work or the individual will suffer such a sense of frustration that he will sooner or later want to get away from the work.

Training will help some, but it is far better to select people with already developed high abilities along these lines than it is to expect that by your training program, you will develop these specialized abilities.

### *Social Development*

THE fourth area of interest development is social development. We usually consider it from two angles. The first is extroversion and the second, ascendancy or domination over people. There are some jobs where an individual might better be on the introvert side; others where he should be on the extrovert side, some where it is well if an individual is an ascendant or dominant type, some where it is well if he is a follower, and submissive. When you get a submissive introvert on a job requiring a dominant extrovert, every hour of his working life he feels restive and frustrated.

Find the person originally who has talents that you need. Find the kind of task for which those talents are best fitted, so each employee will turn out more work than if you simply put a square peg into a square hole. I don't have much use for a square peg in the square hole theory. People aren't static, jobs aren't static.

The second subdivision is "Skill development". Modern management looks at the individual employee, determines wherein he lacks development of interest or ability as against the requirements of the job, and prescribes for him the individualized things which he needs for his job. We see remarkable examples of employee acceleration and exhilaration as a result of the device which we call a training prescription.

*Training Prescription*

WE USE a form for this purpose. On it we first list the duties, itemized in some detail. We have the supervisor check off how well the employee performs each single duty. He uses a plus mark if the employee does it very well, a check mark if he does it acceptably, a minus sign if he does it poorly. Then we look at the minus signs and say to the supervisor, "What does the employee need in order to get a plus sign there?" By concentrating the supervisor's attention on the minus signs, we are writing an individual training prescription for that particular employee to adjust himself, or be adjusted, to that particular job.

Sometimes it is not possible to correct a minus sign. Then you must either fire the employee, or get him into another job, or take away that particular duty for which he has no ability. As an example, suppose the job required a person to be very fluent and agreeable in meeting the public. After ten years any person might develop that ability, but the company cannot wait ten years. It is not very likely that any training prescription in the individualized program would get an employee up to that point quickly.

*Man-Job Analysis*

WE CALL this method a man-job analysis, because it is obviously not analyzing just a man, not analyzing just a job, but is analyzing the relationship between the man and the job.

Further, we are interested in an employee's attitude as being the outward expression of interests, carrying out the belief that abilities, plus interest, make for success.

Instead of training a mass of employees or breaking an employee in—in the parlance of the day—I recommend that you study the employee first, find out his obvious outstanding abilities, give him duties which will use those abilities and interests and lighten the obligation of those things for which he is poorly adapted.

I know some of you must be thinking, "I just can't do that with all the other things I have to do". And yet, many of your busy-messes come from these very maladjustments that I am talking about. So pick your horner's nest and dig into it from the viewpoint that you are going to adjust employees and individually train for the things which maladjusted employees need.

*Motivation*

MOTIVATION has many aspects. We classify the things which employees want under six main headings: Domination, Submission, Creation, Possession, Gregariousness, Homing. There are times when people want to be dominant, want to be on display, want to be up on the platform, in the spotlight. They want to ascend over the rest of us. There are other times when they want to be just the

opposite, when they are very glad to go along with a strong leader, when they chuckle at shrewdness and ingenuity and when they glory in the power of the leader. That's submission, and we all have both traits within us, in varying degrees. There are times when we like to lead and times when we just glory in following.

We like to create, to see things made, to be pleased with the products of our own hands and mind. We have decried much of that instinct in industry by assigning such small fragments of work that the employee doesn't see where he fits in. The awareness of that lack is coming over industrial management today. We are realizing the importance of making people feel that they are helping to create this big report, or this large sale or that airplane. We all like to create in one way or another, some with ideas, some with words, some with things—to get emotional uplift from the joy of creation.

Our working lives are for most of us the most important way of satisfying ego, for progress, for success. Our real problem is to get the viewpoint accepted by those who are in charge.

### *The Value of Money*

MODERN-management has plenty of evidence that money, per se, as an incentive is *very* secondary. There are still plenty of people in executive positions who try to simplify the problem by saying, "Give them more dough". In some fifteen years of working with job evaluation applications I have not seen a single instance of a company which quieted its discontents simply by slapping on 10¢ or 10¢ more an hour.

Money does, of course, buy prestige. You are a more important fellow if you are making \$32.00 a week than if you make \$30.00; of more importance to yourself and your family. But the principal aspect of the money problem relates to the feeling of equality and fairness in its administration. Why, otherwise, all this fuss about job evaluation and merit rating in the last five or ten years if it is just a matter of throwing on more money? Job evaluation determines what the job is worth; merit rating determines what the man is worth in his job.

### *Participation of Workers*

TAKE employees into the formulation of a job evaluation program. It is something of vital interest and significance to them. To the extent that people participate, they believe. Some great philosopher has said "Participation is partial appropriation". There is a lot to that.

Further on this point of Motivation, we have one aspect which I touched on before, and that is employee morale. It is not an aura or smoke cloud which floats over the office. Morale is a composite of a lot of little things, some of them so petty they are laughable to you, but not to the person who feels them. Morale surveys are turning up some amazing things.



Some companies have done very well with interviewing individual employees, but I don't recommend you start with that because it has to be so adequately safeguarded, and there must be a prior feeling of assurance on the part of employees. The attitude on morale survey is a conservative approach to gauge employees' genuine feelings.

The individual recognitions for the little achievements are the things which, in summation, make for morale. Someone has wisely said, "Morale doesn't well up from the bottom; it trickles down from the top". Individual recognition trickles and if you have enough of those trickles you will get morale in great abundance.

### *Leadership*

SO LET us get to the fourth subdivision—Leadership. I think sometimes many employees must wonder what leadership means, when they hear ponderous executives pounding the desk. The day has passed when executives are Gods. It is not going to pass; it has passed. The sooner we recognize it, the better. We are in the era of leadership, and leadership, like gold, is where you find it. Sometimes it is found in the lowest ranks, in the humblest of people. They want to forge ahead, they want to be ascendant, they want to have their say, they want to push themselves forward, they want to organize people, to get things done. You can ignore it, and if you do, that leadership will ultimately crystallize in opposition to you, or you can do as you should do, and that is that you recognize it and refine it.

If our generation had been smart enough to refine the potential leadership in the ranks of people over the last 20 or 30 years, we wouldn't have the situation that we have in industry today or a cleavage, a line or demarkation which on one side of the fence is called "Labor" and on the other side is called "Management".

### *Don't Let It Slip*

HOW can Management let its leadership material slip through its fingers? How can management possibly look itself in the face and say "Because we thought we were God Almighty we weren't ready to let any other gods rise." Each new generation produces its own leaders. Employees are creating them in your own company.

I said before, "Leadership is where you find it". In a recent issue of the Reader's Digest there was a most remarkable article. I shall brief it for you. During the Young Ireland disorders of 1848, nine young men were captured, tried and convicted of treason against the Queen. The sentence was death. Passionate protest from all over the world forced Queen Victoria to commute the sentence. The men were transported for life to the penal colonies of the then savage Australia. That was in 1848. In 1871 a Sir Charles Duffy was elected prime minister of the Australian state of Victoria. To her amazement, Queen Victoria learned that this was the same Charles Duffy who had been transported for high treason 26 years before.

She demanded the records of the other men who had been transported, and this is what she learned: Meagher was Governor of Montana; McManus and Donahue were brigadier generals in the U. S. Army, O'Gorman was the governor general of Newfoundland, Morris Lyene had been attorney general of Australia, to which office Michael Ireland succeeded; McGee was president of the Council for the Dominion of Canada, Mitchell was a prominent New York politician who became the father of the Mitchell who was mayor of New York.

### *Use Rebels*

**T**HAT accounts for all nine of them. Yes, leadership is where you find it, and we today in American Industry, in our management, are failing to realize that we have our recalcitrants just as Queen Victoria had them, that they have power, something which is going to move ahead. Are we smart enough to harness the power of those people, or will we try vainly to sentence them to oblivion?

Leadership itself has two aspects, one, God-given abilities, and the other, acquired abilities. If you teach forceful people to apply planning, coordination, direction and control, they are going to be leaders if they have reasonable intelligence and social development.

### *Post-War*

**A**S I see it, the labor relationships after this war are going to be mighty different. I think we may look for six months or a year of recession to be followed by three or four years of inflation; and in that inflation period labor demands will go wild. We are going to see perhaps a modified form of socialism, which can be avoided only if executive leadership is astute enough to give employees some of the things they crave from industry.

I simply say that if the correct viewpoint were to be largely adopted by folks like yourself and myself, and if enough of us will do it, then we are on the high road to correction. Centuries ago a scientist, Columbus, didn't believe that the sun revolved around the earth; he believed that the earth revolved around the sun. Of course, he was crazy to his contemporaries, but later events proved him right.

### *Ten Applications*

**I** WANT to give you ten commandments, or ten applications of modern management viewpoint. If you do any or all of these things you are giving practical application to some of this viewpoint. I hope you will apply the viewpoints in many other directions:

- 1—Use aptitude tests for original selection of office employees and for internal selection and promotion.
- 2—Maintain adequate personnel records.

- 3—Analyze employees in their jobs to identify points of mal-adjustment, either in abilities or interests.
- 4—Give each employee specific training in the things he needs for his personal improvement in his present task.
- 5—Establish a systematic classification plan.
- 6—Institute merit ratings.
- 7—Learn to utilize non-financial incentives.
- 8—Put your management policies in writing.
- 9—Invite employee participation in deciding problems of immediate concern to them.
- 10—Find and develop leaders.

One of the greatest thinkers America has developed, John Dewey, is credited with this very significant sentence: "The art of giving shape to human powers is the supreme art".

Can you—and will you—give shape to the human powers of yourself and of the people who work with you

*From an Address given before the Office Management Association of Chicago.*

Women Working at Home Like to Listen All  
the Time to Washboard Weepers. Women  
Working in Factories Also Like to Build Bomb-  
ers to the Tune of Boogie Woogie, Dearly  
Beloved and There'll Never Be Another You.

# Music for Workers

BY WILLARD A. KERR  
Radio Corporation of America,  
Camden, N. J.

THE last decade of social change, and World War II, have placed new emphasis upon the dignity and importance of the individual employee. Increasing importance is being attributed to the attitudes of employees. Present scarcity in the labor market tends to put the employer on trial. Before making application for employment, the essential worker may now ask "What are the advantages of joining this company—how does it compare with company X?" While wages, hours, and sanitary conditions have long been known to influence the work place preference of job applicants, relatively little is known about other factors which might possibly influence choice of working place.

## *Most Workers Like It*

EXISTING studies (see references) indicate that the majority of workers who have experienced music in the factory setting are strongly in favor of it. Because of the great current interest in music in industry, it is the purpose of this study to determine the attitudes of *job applicants* toward music in industry, and to secure some indication as to their probable behavior were they to be offered similar jobs in plants with and without music.

Subjects of this study were groups of job applicants measured as follows in one public and three factory employment offices in Indianapolis: United States Employment Service 132, RCA Victor Division of Radio Corporation of America 112, Eli



Lilly and Company 70, Curtis-Wright Corporation 50. A brief questionnaire was given to this total of 364 job applicants awaiting interviews. Anonymity of response was secured by requiring no signature and by group administration. The data were collected during August, September, and October, 1942.

Item 1 was included to gain an indication of the applicant's probable behavior if offered two jobs of similar nature except for presence of industrial music with one; the other four items were added to permit analysis and interpretation. Item three was included as an "equivalent form" to make possible an estimate of the reliability of Item One. Position error was controlled by reversing the continuum in Item Three.

#### WORK PREFERENCE BALLOT

Do not sign your name. This is simply part of a research study. Your answers will in no way influence your present or future status here.

1. If you are given a choice of working on either of two different floors in this plant on jobs which carry equal pay, responsibility, and prestige, but which differ in that some recorded music is played on one floor while employees work and music is not played on the other floor, which floor would you prefer to work on?
  - A. The floor with music ☐
  - B. Either floor; it wouldn't matter..... ☐
  - C. The floor without music ☐
2. Why did you answer as you just did?
3. While working in an industrial plant, how much of the time would you like to hear music?
  - A. None of the time ☐
  - B. Rarely ☐
  - C. Occasionally ☐
  - D. Frequently..... ☐
  - E. All of the time..... ☐
4. Your sex: M      F
5. Your age encircle nearest 20 25 30 35 40 45 50 55 60 65

Job applicants at U. S. Employment Office and in employment offices of three factories significantly prefer to work on a floor with music as compared with a floor without music.

There is no relationship between age and attitude toward industrial music for these applicants when sex is held constant.

A correlation of .18-.04 exists between female sex and preference for the floor with music for these applicants when age is held constant.

This study tends to imply that, when other factors are equal, job applicants and particularly females--may give more favorable consideration to factories which provide music as opposed to those which do not provide music for the workers.

#### *Reasons*

THE second item, "Why did you answer as you just did?", elicited similar replies in all groups. Of the 132 reports from the U. S. Employment Office, more than half gave answers to Item Two. A tabulation of reasons given by this group with

number of applicants giving each reason follows: *Without music*: music would be distracting 22, too fond of it 2, need to attend to work to do good work 3, would prove nerve racking 1, would not hear it when busy 1, don't like music 1; *Don't care*: would help some but not others 1, can work with or without 3, want job and wouldn't be choosy 1; *With music*: makes time go faster 5, can work better 10, lessens fatigue 3, like music 20, concentrate better 1, quiets nerves 6, relieves monotony 4, increases happiness 2.

*Those wishing to obtain information as to the statistical methods used in arriving at the above results may do so by writing the author at Division of Psychological Studies, R.C.A., Camden, N. J.*

*The author acknowledges the aid of officials of the U. S. Employment Service, the Eli Lilly Company and the Curtis-Wright Corporation, in the collection of these data.*

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# Book Reviews

*Book Review Editor*, MR. EVERETT VAN EVERY

California Personnel Management Association, Berkeley, Cal.

## HOW COLLECTIVE BARGAINING WORKS

Edited by Harry A. Millis. New York. Twentieth Century Fund. 1942. 986 pp.  
Price \$4.00

*How Collective Bargaining Works* is a big study of experiences in leading American industries. The volume is a presentation of the findings of a special research staff including such men as William H. Davis, Howard Coonley, Clinton S. Golden, William M. Leiserson, Sumner Slichter and others. Dr. Harry A. Millis, assembled the staff, and planned much of the work prior to his appointment to the National Labor Relations Board in the Fall of 1940.

The survey articles are full-length case histories of how collective bargaining works in sixteen fields. Six of the industries reviewed are now essential war class as steel, electrical products, automobiles, railroads, rubber, coal. Robert K. Burns writes on the daily newspapers, a history of significance in the whole story of American labor growth. William Haber makes a thorough scrutiny of the building industry, even to commenting on the flagrant price-fixing arrangements. Waldo Fisher discusses the coal industry, charging that both operators and unions have abused their power, and draws a most interesting story of growing problems that both sides have badly fumbled. Harry D. Wolf writes about railroads, depicting a veteran industry that has learned to avoid strike and strife through amicably adjusting its disputes—a lesson that other industries have not learned. Frederick H. Harbison tells the story of steel—a story that is not generally known in its entirety.

The volume is a joint undertaking with outstanding labor authorities preparing the various sections of the book. On the whole it is a history of labor growth in America's leading industries. It is undoubtedly the most valuable single book on collective bargaining. It was completed before the United States entered the present world war, and although collective bargaining may undergo some changes, the last war demonstrated that the basic problems of industrial relations remain fairly steady. Throughout the various chapters it is interesting to note the general feeling among all the writers that as the war becomes more serious both management and labor have a tendency to look more and more to Government for guidance and suggestions. To what extent the Government can help this relationship, probably strengthening and fostering it in the interest of postwar developments, is a chapter that was omitted from the book.

## THE LABOR RELATIONS ACT IN THE COURTS

By Herbert O. Eby. New York. Harper & Bros. 1943. 250 pp. \$3.50.

The book is a first cousin to the book on "How Collective Bargaining Works", by H. A. Millis (Twentieth Century Fund). The two books might well be read together.

No study of collective bargaining, no matter how exhaustive in the general sense, would be complete without reference to the legal decisions affecting the rights and responsibilities of employers and employees.

The author is an attorney who has been employed in the National Labor Relations Board and has had an unusual opportunity to examine these data in a comprehensive manner. He has presented a complete summary of what the courts have said about collective bargaining and the various interpretations that have been given to the closed shop, preferential shop, company unions, lock out, trade agreements, appropriate bargaining unit and hundreds of other daily problems.

Since the National Labor Relations Act is the law under which management and labor must conduct their relationships it is highly important that personnel managers, labor officials and students of industrial relations should know the federal court decisions that are laying the foundation for a huge field of labor law. The mass of decisions, vital as they are, leave me feeling that the National Labor Relations Act has been lucrative legislation for the lawyer. And yet it is not necessary to dedicate the Act and the Board to the lawyers of the country and to "build their practices" at the expense of good, common sense labor relations. Congress had no such intention in adopting the law. Management and labor should know these decisions and not blindly toss off their responsibility to be mixed with torts, contracts and Habeas Corpus.



# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION

Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 2*

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If Absolute Wage Freezing and Labor Conscription Takes Place in This Country Then Unions Will Be Reduced to the Job of Eliminating Grievances Arising out of Individual Pay Inequalities, Unsuitable Working Conditions and Improper Placement of Workers (for the Duration).

# Unions *and* Grievances

BY SOLOMON BARKIN

Textile Workers Union of America,  
New York, N. Y.

IT is redundant to speak about grievances under a system of collective bargaining. The union itself is an outgrowth of labor's dissatisfaction. The union is labor's grievance machine. People conceive of unions primarily as agencies of protest, as vehicles for correcting and improving working conditions. A union's more positive function, that of participating with management in the production process is as yet recognized only by a limited number of companies. As spokesman of the aggrieved worker, the union has played and will continue to play its historic and primary role.

## *The Worker as a Person*

THE union's primary role has been to present human reactions not only to the immediate job and job conditions, but also to the fate to which the worker's income destines him. The worker as a person rather than as a mere hand in production has human demands. These managements have forgotten, overlooked or neglected. The people's demands are the ones on which the union focuses its interest.

Unfortunately, the human equation presented by the worker has been subordinated by industry in its overwhelming absorption with production and its considerations for costs. Management has mistakenly sought to reduce the entire problem of labor management to mechanistic calculations, and has assigned engineers to deal with these problems. Only recently has industry formally offered public and official recognition of the human factor and its direct effects on production. Even now there is an insufficient comprehension of these problems. There is sadly lacking both in industry and government an adequate knowledge of a wholehearted

desire to apply the essential principles and conditions prerequisite to coordinating the worker as a human and social being with the mechanical processes of production. Only elementary advances have been made in considering the worker in the selection of plant sites, construction of plants and organization of work and jobs. Only a few significant provisions are now available for wholesome personal development within the factory and adequate communal environment. These failings create constant sources of discontent.

When the true nature of labor relations is perceived by management, it will increasingly shift these responsibilities from engineers trained in the physical sciences, disposed to fixed rules, to persons trained in the problems of human behavior. The change in the types of persons chosen as administrators of personnel relations will be an intelligent recognition of this concept, and will represent an attempt to handle it in adequate fashion.

### *Sources of Discontent*

GRIEVANCES arise among discontented and maladjusted people. The causes and types vary. Basically, the drive for economic advancement, economic security and status are the fundamental sources of dissatisfaction in industry. They have led to union organization. They have impelled workers to the many sacrifices made to establish unions.

Mere organization does not dissipate these demands. Indeed it serves to broaden the workers' vision and make his economic demands more persistent. The worker as an individual without a union might be satisfied temporarily with a more friendly foreman; as an organized worker his standards and demands are intensified not only through association with other workers but also through his increased economic knowledge. A union leads the worker to accept the democratic process in achieving his goals, and teaches him the value of progressive advance. It also familiarizes the worker with broader economic and social aims, thereby making possible higher goals.

The union tends to deal primarily with group desires and aspirations. It also recognizes many special individual and personal maladjustments and problems. It knows that however individual they may be, they stem in large part from, and are aggravated by, the worker's unsatisfactory economic position and from his lack of status both in the factory and in the community. These must be basically advanced to deal satisfactorily with individual nuances and peculiarities. The union's direct contact with the individual worker permits it directly, or through its subordinate agencies, to help him in his personal problems and adjustments, whether they originate in or out of the plant, or whether the causes be completely personal or social. But the primary emphasis and attention is upon those causes of discontent which affect the group as a whole.

*Effects of Discontent*

CURRENT production problems highlight discontent and dissatisfaction. In labor-surplus markets employers, particularly in unorganized industries, remained indifferent to these issues except as labor has forced attention through organization. Strikes occurred but employers generally held the upper hand because there were more workers than there were jobs. The present situation is different. Discontent can express itself in many new ways. Labor turnover, absenteeism, low output, and grievances are manifestations of the same types of dissatisfaction. The actual form which the discontent assumes depends in large measure upon the opportunities for expression and the efforts made to correct the source of the grievance.

Union plants with functioning steward systems, will tend to channel these dissatisfactions into the grievance machinery insofar as they affect the plant, and to community agencies if these dissatisfactions originate with community failings. Workers will articulate their dissatisfactions through these complaints. The union will make a definite attempt to have them resolved. The cause of the dissatisfaction may in this manner be corrected and the dissatisfaction eliminated.

*Complaints to the Surface*

THE union brings these complaints and questions to the surface, thereby minimizing the possibility that the discontent will assume other forms. Management is increasingly recognizing that the more complaints that pass through the grievance machinery or through the union, the better able is it to remove the causes for restlessness among the workers, and thereby solve managerial and personnel problems. A union which does not bring these complaints to the surface is failing its membership and performing a disservice to the management and to the community itself.

The union helps to make people talk. And the very act of expostulation of a grievance frequently is capable of removing it. The issue may resolve itself through complete analysis. On the other hand, frustration created by silence frequently results in irresponsible and explosive behavior. We know that employees who have not been in the habit of filing complaints and seeking redress in an orderly manner through the grievance machinery are most prone to be absent, to leave the shop and to fail to cooperate. An operating grievance organization within a plant is indispensable to the successful handling of current personnel problems.

In the textile industry, the long history of repression, and employers' unwillingness to deal with their workers as humans, has embittered this population. Not yet have they gained freedom of speech and of complaint. Their dissatisfaction has therefore been expressed more eruptively than among other groups where protest and complaint has been more freely practiced. These workers currently seek refuge from bad conditions in the current market in job changes rather than through this grievance machinery.



*Labor Turnover*

**L**ABOR turnover is an indictment of working conditions and labor policy and not especially a stigma to be attached to workers. Turnover is a symptom of bad conditions; absenteeism is a signal of unsolved problems. Both can be met by getting at the roots of the dissatisfaction. Slogans cannot solve the problem. The causes for the discontent must be ascertained through grievance machinery. They must be dealt with directly and effectively.

A stable working population can be maintained only through a continuously operating grievance organization within a plant. If a worker feels free to file his complaints, and has the assurance that they will be competently handled and adjusted, he will learn that the remedy lies within the plant. He will have full faith in his freedom to speak, in his shop steward and management. Such a worker will not escape his plant and problems. He will have been trained to solve them directly at the source. He will heed the psychologists' advice not to escape one's problems, but wrestle with them.

*Management's Efforts to Meet the Problem*

**P**ROCEDURES other than the shop steward grievance machinery organized by an independent union have been tried by management. They may have temporarily met specific problems or conditions, but they have not provided a continuously automatic contact between workers and management in order that troubles might be perceived, formulated, discussed and eliminated.

The most commonly employed method has been the one of informal inquiry, either through management's representatives or independent or governmental investigators. No matter how satisfactory the results might have been, they were temporary. Moreover, they generally have not been successful. The atmosphere and confidence required for this relationship can be developed only with time as *rapprochement* is established. Only the workers' own representatives can inspire such trust.

The informal method of inquiry frequently also intensifies unrest. Should the worker really express himself, he expects immediate aid and relief; his articulation communicates an impatience which accentuates the restlessness. He has no means of understanding delays. His relation to the investigator is terminated after the interview. Unless complete satisfaction is forthcoming, disappointment is likely to result as explanations are usually lacking for the adjustment which has been made. The original grievance may therefore still remain.

*Welfare Plans*

**A** SECOND effort has been in the form of welfare plans. Employers attempted to take care of dissatisfactions by furnishing specific types of economic security,

and provisions such as pension plans, group insurance programs, hospitalization schemes, recreation programs and other welfare schemes. These plans are intended to meet the constantly pressing economic demands.

A third and direct effort to deal with grievances directly, was employee representation plans or work-councils. The first large corporation to install a permanent plan was the Colorado Fuel and Iron Company in 1917. They spread, particularly from 1919 to 1921 as labor unrest grew. So much hope was placed in them that one writer entitled his book on these plans, "Political and Industrial Democracy." They were intended to provide a medium through which managements might receive grievances and communicate with the workers. The failures of this attempt at solution are too well known to bear discussion. 'Company Unions' dominated or influenced by management were declared illegal by the National Labor Relations Act. They could not establish an effective liaison with management, since they were dominated by management. Unless the grievance machinery is developed by an independent employee union organized as a regular trade union, preferably associated with a national trade union organization, it cannot gain the independence which is a prerequisite to inspiring necessary worker faith and confidence.

### *Improved Personnel Work*

A FOURTH development has been the improvement of personnel departments. Personnel men have sought to prevent difficulties and the aggravation of discontent. They have therefore emphasized foreman training. At best these efforts are preventive. They help train foremen to prevent unnecessary personal antagonism and tension. But foremen cannot be the worker's confidante or representative since he is management's agent. He acts for management in many of the situations which create the dissatisfaction. Foreman training courses commonly suffer because of their emphasis on dealings with the individual worker, and they do not prepare the foreman for the collective bargaining experience or dealing with groups and their representation.

To secure a direct contact with the individual worker, counselors have been provided in some plants. These persons are management representatives. They can help to meet completely personal problems, but not the basic group demands for economic advancement, security and status.

No device developed by management can provide an effective permanent means of handling employee grievances. Management has frequently looked askance upon all grievances. It has considered them destructively as a hornet's nest rather than constructively as means of developing a more stable and satisfied working population. Even where management has sought to humanize its relations, it has found that its agencies cannot count on the workers' full confidence or provide an adequate channel for the filing of these complaints.

A new attitude must permeate management. Complaints and grievances should be considered, in periods such as the present, as proof of confidence and as clues of unobserved sources of trouble. They afford an opportunity for eliminating conditions which might create chronic discontent and an unstable labor force.

### *The Union as Grievance Agency*

THERE is no substitute for the union as the worker's grievance representative. It is constituted for this purpose, and therefore naturally functions in this realm. Its primary objective is to focus discontent, formulate its causes and seek to remedy the sources of grievance. As a stable organization it attempts progressively to remove the social and economic roots of unrest and discontent. It seeks to assure the worker, through concerted action, that complaints will be received, and the troubles, if possible, remedied. It inspires hope for advance and true faith in progress. Both are essentials to a democratic procedure in the handling of our economic and social problems.

The union meets the workers' grievances in several ways. The first and most elementary is through organization. The establishment of the union substitutes concerted action and strength for mere individual frustration and depression. The second is through attempts at securing economic gains, security and status for workers. These provide immediate answers to the worker's desires. The union seeks to eliminate labor from the competitive market through wage stabilization.

By substituting the common rule for the individual bargain, many causes for discontent are eliminated. The worker knows his rights and his expectations. Fears of favoritism and discrimination are eliminated.

### *Knowledge Substituted for Rumor*

WORKERS substitute knowledge for suspicions and rumors. Unions demand fixed seniority rules both to gain economic security and to furnish workers with definitive ideas of their place and rights. Much restlessness is eliminated when the procedure for lay-offs and rehiring are precisely defined so that the course will be automatic. Many managements favor seniority rules because they encourage a stable work-force. Unions desire such rules because they afford a modicum of security in an otherwise turbulent world. While these rules no doubt bring serious problems into being, they must be considered secondary to the constructive influences which they have on plant morale.

Unformulated or loose practices breed suspicion. In a recent arbitration the question was raised whether management was giving wage increases on merit or as a means of discrimination against the union. The arbitrator ordered the company to grant the union a complete weekly list of wage increases to union and non-union workers in order to assure the union that such was not the case.



*Union Tries to Articulate Disputes*

EVERY union act is directed toward articulating discontents and finding answers for their causes. As such the union occupies the central position in any program designed to develop a stable working force. The union can perform this task because it is the workers' own agent. Its officers are from its own ranks, its shop stewards are fellow workers who are their natural leaders. They have common interests; speak the same language; share the same life fears and hopes. Its deliberate function is to help workers become articulate. Its activities are therefore directed toward learning the devices for accomplishing this function and realizing this goal.

Through its knowledge of its own members a union plays a constructive part in the handling of complaints. Through experience the shop steward, frequently with the aid of the business agent, is able to formulate a complaint and help solve it. Through the cooperation of the business agent or even of the national office representatives, a union can deal intelligently with a complaint in terms of previous experience, thereby formulating the grievance in the most constructive manner. This removes the personal elements of a complaint so that it can be rationally discussed and a solution secured in a logical fashion.

Many unions have placed particular emphasis upon the desirability of reviewing grievances carefully before they are sent to management. They therefore carefully sieve complaints and review them to determine their propriety and substance. In this manner they are aired long before management gets them. Whether handled in this manner or directly by the steward, the result is that personal differences are eliminated, and the true grievance is presented.

The presence of an active union assures management that the grievances will be continuously forthcoming so that it is fully aware of the workers' desires and complaints.

*Union Sifts Grievances*

IN PLANTS with stabilized relations with unions, generally only real complaints and grievances are pressed. In these plants, unions instruct their shop stewards in the art of sifting complaints. Personal objections, individual prejudices or reactions, singular occurrences or unusual situations are constantly minimized. Under such circumstances unions seek to resolve these exceptional types of complaints through direct personal discussions with workers and by allowing the emergency to pass. Satisfactory relations between management and unions breeds tolerance. Only real issues are pressed. In fact, a rough check on the adequacy of a system of industrial relations in a unionized plant is the type of complaints which the union submits. When confidence exists, the union will clear out the complaints which are not meritorious. No grievance system will attain this stage until the workers have been assured that real grievances will be dealt with by both the union and management.



*The Shop Steward System*

THE union functions through two types of relations with management in dealing with complaints and grievances. It distinguishes between issues which can be best dealt with through contractual provisions under a contract, and those which can be handled as complaints.

Its basic economic demands are discussed at annual or periodic conferences. Similarly, basic rules concerning employment conditions respecting hours, seniority and other similar problems are reviewed at joint conferences. The issues which are not covered by such general rules are the questions which create the complaints during the life of the contract. This experience frequently furnishes the materials for new rules.

The grievance mechanisms are founded upon the shop organization headed by a shop steward. In essence, the shop steward system is an arrangement whereby employee complaints are submitted by employees directly to their shop steward who seeks to secure an adjustment through negotiations with management. Unsettled complaints become grievances which are referred to successively higher union and management authorities until they have been considered by final company and union officials. If still unresolved, it is customary to refer them to outside persons who aid in their solution through conciliation or arbitration. The machinery is designed for the resolution of these differences.

*Participation in Production*

A PREREQUISITE to the successful handling of grievances is management's recognition of the positive and constructive function which complaints can play. They not only bring dissatisfaction to light but also give labor a feeling of direct participation in and a responsibility for the production process. Management must therefore aid the procedure by defining its own methods of handling complaints and grievances, and the authority of the respective representatives. By accepting as its guide expedition and justice, management can instil a faith in the honesty of its purpose. By assuring the union that all pertinent information would be made available and patiently explained, it will gain respect and confidence.

Wage scales, seniority lists, descriptions of promotional ladders and wage systems, as well as full data on grievances, are helpful instruments for reducing issues to a factual rational basis. In all instances, management must be prepared to have these differences resolved by an outside party if they persist.

Grievance machinery operates most smoothly if the union stewards and workers as well as foremen are clearly informed of the procedure and purpose. Posters and joint steward and foremen conferences have proven valuable in bridging the gap between the two. Both top management and union officials must display a willingness to find expeditious solutions.

*Seniority Rights of Shop Stewards*

AMONG the important aids in the successful operation of shop steward systems, we may note seniority rights to the shop steward. Better men are thereby secured and attracted to the responsibility for which there is no other recompense than the satisfactions of leadership and service. Union shop stewards and business agents must have free access to plants for investigating grievances and effecting settlements on the spot.

Complaints should be filed with the shop steward and not with the foremen. Employers have fought this union request. Their resistance has in most cases been motivated by a desire to limit the union's influence and to prevent insofar as possible its growth or power. However, these employers have found the number of complaints submitted directly to the foremen to be few. Those presented have been primarily complaints submitted by individuals currying management's favor. Unions have feared this procedure as permitting the perpetuation of discrimination and favoritism. Individual bargains threaten the group's security which is basic to unionism. The maintenance of the right of individual to submit complaints directly to the foreman only tends to perpetuate the tension between the union and management and prevents true industrial peace.

*Police Function*

GRIEVANCE machinery serves two major functions. In the first place, it has a police function. It administers an agreement. It provides the means of calling management to task if it violates or trespasses a rule which had been agreed upon. In fact, the greatest emphasis has been placed on this function in most efforts to explain the shop steward system. Secondly, as has been underscored in this discussion, namely is the function of bringing all complaints and sources of discontent to the surface so that unsatisfactory conditions are discovered and remedied. If complaints are not solved, at least, the reasons are known and new rules may be developed to prevent the recurrence of the difficulty.

Complaints also help to disclose bad management and thereby afford top management with a check on its own organization. The grievance procedure makes the relations between the union and management a living experience dedicated to co-operative solution of the human and industrial problems arising in modern industry, and carries benefits to both labor and management.

*Operation of Grievance Machinery*

THE actual form of the shop steward system will depend upon the individual plant and local situation. Employers who seek to limit numbers of stewards or to control their functions before they have seen them in actual operation are hindering its effectiveness. The size, forms and methods will quickly adapt themselves to the practical needs of the organization. Provision must be made for a number which

is adequate to respond to the workers' distribution by departments, shifts and locations. There should be chief stewards in charge of a number of department stewards. Final authority must be vested in the local union grievance committee. Such progressive lines of authority assure the selection of the more experienced men for the more responsible positions.

### *Informal Relations at First Level*

EXPERIENCE has indicated that the original relations between the first shop steward and management's representative should be informal. As a result a distinction has developed between complaints and grievances. The former is the original protest which is conveyed directly to the shop steward. It is not necessarily written. The shop steward should equally informally discuss the matter with the foreman. He thereby familiarizes himself with management's case and is able to review the matter with the worker or with the worker and foreman together. Such informality tends to foster a willingness for settlement. Frankness and confidence characterize these relations.

Unsettled complaints become grievances. These should be formally submitted on regular complaint blanks and signed by the complainant. The worker must take full responsibility for his statement and must set it forth explicitly and fully. This procedure has the advantage of placing the worker in the position of knowingly filing his grievance and informing him that he will have to substantiate the facts.

The union shop steward usually is required by unions to investigate these grievances before they are formally filed in order to assure the union that the case merits support. Full review in the complaint stage helps to mature the views and define the differences.

### *When Discussions Become Formal*

ALL discussions on grievances tend to be formal. Employers' replies should be written. Grievance conferences also are generally held regularly. While witnesses may be called, they are generally discouraged. The parties should be in a position to secure all the facts and to reconcile them without the necessity of getting new direct testimony. These conferences should explore all grievances thoroughly. The more completely the problems are discussed in the early stages of the union-management relationship, the less apt is discussion at later stages likely to add new facts.

First conferences on grievances should center their attention on questions of fact, whereas the later ones should be concerned with policy. Formal records of grievance and management's reply, supported by the evidence submitted by the respective parties, help to prepare the case thoroughly for final consideration by the highest union and management officials, or by the arbitrator if the issue is submitted to same.



Special arrangements for expeditious handling of discharge cases and other emergencies are provided in some contracts. Provision should be made also for telescoping the steps in the handling of special problems and for the intervention of business agents or the national union representatives at early stages of a dispute if they consider it desirable.

Grievance machinery works well when all parties are aware of its accomplishments. The union must keep its stewards informed of its settlements and its membership aware of its operation. Reports help to inspire confidence and reliance which are so essential to its very existence. Some organizations issue periodic reports on grievances settled by the plant committee. In all cases records should be kept of all decisions so that a common law is developed to guide the respective parties.

### *Arbitration*

GRIEVANCE procedures work well when all disputes are resolved. Provision must therefore be made for the arbitration of differences which cannot be otherwise settled. An arbitration clause which excludes some phases of the relations between the parties from arbitration is likely to cause misunderstanding. Both parties may properly determine that the writing of new contracts shall not be subject to arbitration except by mutual consent. Similarly, certain terms of a contract may not be subject to revision except at specified intervals. But disputes and differences which arise during the life of the contract must be arbitrable.

The arbitration provision serves several functions. In the first place, it assures final disposition of all complaints. In the second place, it disposes the parties to find their own settlement without referring the issue to an outside party. In the third place, the arbitration procedure itself offers an opportunity of training the parties in orderly consideration of differences. The hearing can become a true and perfect model for the manner in which the issues should be considered by the parties themselves. Arbitration should not be considered as a substitute for the collective bargaining processes; it is a method of aiding the parties in hurdling differences which they cannot themselves resolve. Arbitration of these grievances helps to advance collective bargaining and assures completion of the bargaining process.

Many problems arise in getting the arbitration machinery in operation, such as the determination of the type of arbitrator, selection of arbitrator and rules of arbitration. Fortunately, experience has been abundant. Aid from governmental authorities, as well as from agencies such as the American Arbitration Association is available to help the parties find a common meeting ground. The development of city, state and national labor boards has facilitated the arbitration process. As a result, the arbitration method of resolving differences is being more widely accepted and practiced.



It is Commonly Supposed that the Federal Government is the Only Agency with Designs Limiting and Hampering the Operations and Methods of Labor Unions. This is not So. There Are Many Bills before Many State Legislatures for the Same Purpose—Many of Which Conflict with Federal Bills.

# Trends *in* Labor Relations Bills

BY DIVISION OF LABOR STANDARDS

U. S. Department of Labor,  
Washington, D. C.

STATE legislatures this year are considering a greater volume than ever before of bills affecting union activities. All but a very small part of this legislation is restrictive or regulatory.

A marked similarity exists in different States in certain bills dealing with particular aspects of industrial relations. Certain bills in different States are identical, while others are modified to a limited extent, indicating that the legislation stems from common sources interested in promoting certain measures in as many States as possible.

The summary which follows gives an over-all picture of this legislation, so that legislative committees and organizations in any one State can know what is transpiring in other States, comparing such action with local trends.

## *“Anti-violence” Legislation*

NINE States have considered so-called “anti-violence” bills which are almost identical—Arkansas, Iowa, Kansas, Maryland, Missouri, North Carolina, North Dakota, Oklahoma, and Tennessee.

An organization known as the Christian American Association has championed this bill, particularly in the Southern States.

This bill provides that it shall be unlawful for any person by the use of threat of force or violence to prevent or attempt to prevent any person from engaging in a lawful vocation; or, for that purpose, for any person acting in concert with others to assemble at or near a place where a labor dispute exists.

Such legislation could be interpreted to prohibit picketing and strikes under circumstances usually recognized to be a proper exercise of constitutional rights.

While Arkansas has enacted this bill as law this year, following the action of Texas in 1941 and Mississippi in 1942, five legislatures currently have already defeated it—Iowa, Missouri, North Dakota, Oklahoma, and Tennessee. The fate of the bill is still undecided in Kansas and Maryland, while no information has yet been reached on how the North Carolina Legislature, which has adjourned, finally dealt with it.

### *Union Registration and Licensing*

**A**T LEAST 15 State legislatures are considering bills requiring labor organizations to register certain information with a State agency as a condition of collecting dues and representing employees. Kansas, South Dakota, and Idaho have just passed laws which include provisions requiring licensing of labor-union agents; financial reports by unions; reports of fees, dues, and assessments of members, and reports of salaries paid union officials.

The registration required by bills in different States takes several forms: S. 290 (California) and H. 110 (Michigan) among others, for example, require incorporation of labor organizations, thereby making them subject to the general corporation laws of the State; in most bills, however, the registration takes the form of a filing with the Secretary of State, or in other cases, with the Industrial Commission, of a statement disclosing designated information, together with described documents and papers. Failure to so register is constituted a misdemeanor and punishable by substantial fines or imprisonment, or both.

### *Limitation of Union Income*

**T**HE contents of the registration statement required in many of these bills is illustrated by the Texas bill, H. 311, which calls for the name of the union, the names and business and residence addresses, the age and citizenship of officers and directors; a balance sheet showing assets and liabilities for the previous 6 months; cash on hand and in the bank; stocks and bonds; accounts, notes, dues, and assessments receivable; prepaid rent; real estate; office furniture and fixtures; notes, accounts, strike benefits, salaries, rent, and traveling expenses payable; capital stock, surplus, and net worth; and income statement for the fiscal year showing receipts and disbursements, sources of income, amounts disbursed for political, charitable, and other purposes and their recipients; all salaries, loans, and advances made to officers, directors, trustees, agents, etc.; an itemized schedule of initiation fees and dues; and a copy of the charter or constitution and by-laws.

Another Texas bill, H. 100, not only requires union registration but also limits labor union income to that amount required in carrying out its lawful activities. This bill has already passed the house.

It is fair to assume that these laws are applicable to organizing committees as well as fully developed and matured labor unions.

Most of them do not require the information filed to be held in confidence. Such bills might be interpreted to mean that the information filed is available to the public generally, unless the general laws of the State provide for confidential treatment of such material, or the Secretary of State is authorized to issue regulations to that effect.

### *Qualifications for Officers*

IN SOME of the bills, the necessity of registration applies not only to labor organizations, but also to their business agents. Many of the bills contain elaborate qualifications for officers and other representatives of labor organizations. A Missouri bill, S. 1, requires all elective and appointive representatives of unions to be natural born citizens, residents of the State for 5 years or more, owners of real estate in the State "and paying the taxes thereon before such taxes become delinquent," and State and county taxpayers within one year preceding the appointment or election.

Not all the bills require the filing of detailed information with registration. For example, California's S. 5 merely requires accurate books to be kept, an itemized statement of receipts and disbursements to be filed with the Secretary of State, and that "all accounts and statements shall be open to inspection upon the written demand of any member in good standing at any reasonable time, and for a purpose reasonably related to his interests as a member."

Some bills setting up labor relations boards, Ohio's H. 193, for example, and others amending State labor relations laws make it an unfair labor practice for a union to represent employees unless it first secures a certificate of registration. Such certificates are subject to cancelation if the union commits any of a number of unfair labor practices listed.

### *Political Contributions*

A CONSIDERABLE number of State bills dealing with a variety of subjects prohibit political contributions by labor organizations. Occasionally this is done by providing that the statutes prohibiting such contributions by corporations shall be applicable to labor unions. Other bills make it a misdemeanor for labor organizations to make such contributions, and still others make it an unfair labor practice.

### *Prohibiting Union Activities with Farm Labor*

IDAHO and South Dakota have both passed laws which prohibit any labor union representative from entering without the consent of owner or operator any ranch, farm, feed yard, shearing plant, or other agricultural premise to collect dues, solicit membership, order a strike, or otherwise interfere with the activities and duties of



such employees. These laws also prohibit picketing the homes of such workers, any boycott interfering with the marketing of any farm product, and a labor union's accepting any dues from this group of workers.

### *Anti-strike, Anti-picket, and Anti-boycott*

**R**ESTRICTIONS on picketing, the strike, and the boycott have been introduced through various types of bills. Sometimes the provisions are incorporated in labor organization registration bills, sometimes in labor relations bills, sometimes in separate bills devoted to this matter.

The Massachusetts bill, S. 226, which was favorably reported on March 1, illustrates the general character of the control proposed in many States in a wide assortment of different types of bills. This bill makes it an unfair labor practice to strike in violation of a collective agreement with which the employer is complying in good faith; to picket while a strike is in progress "unless a majority of the persons engaged in picketing are employees of the place of employment"; to picket when no strike is in progress; to interfere with the operation of a vehicle or its operator when neither the owner nor the operator is a party to the strike.

It requires labor organizations before calling a strike to request a board of conciliation and arbitration to determine a proper number of pickets and to furnish the board with a map of the place of employment, a statement of the number of employees at the plant who will be affected by the strike, and other information. The board determines the number of pickets and the locations where they may operate. The union files a list of the names and addresses of the pickets it selects, and the board then authorizes these individuals to wear an arm band or other identifying insignia. Any picketing that does not conform to these provisions is made unlawful.

In Utah, H. 31, like bills in several other States, makes illegal secondary boycotts and "hot cargo" activities. It also makes unlawful ceasing or refusing to work, regardless of any agreement, a provision of doubtful constitutionality. Another Utah bill, H. 34, affords injunctive relief and damage to anyone injured by "hot cargo" or secondary boycott activities.

California's hot cargo law, now effective for the duration, would be made effective permanently by S. 92 and S. 93 in that State. Other States where bills prohibiting secondary boycott or hot cargo activities are pending include Minnesota and Kansas.

There are also provisions in many bills of various sorts designed to make unlawful any acts of sabotage or seizure or destruction of property in connection with labor disputes.

### *Regulation of Fees*

**S**EVERAL bills (H. 157, Oklahoma, for example) make it unlawful for a national or international representative of a union to be paid or receive more than 25 per cent of moneys paid as fees, dues, or assessments into the treasury of a local union.



*Labor Relations Bills*

A NUMBER of State labor relations bills have been proposed, some modeled on the State Little Wagner Act plan, others on the Wisconsin Peace Act, and still others, adopting some of the features of each, but following no general pattern. Several of these bills contain a catalogue of unfair labor practices, when committed by employees. A Kansas bill, for example (S. 223), proposes that it should be an unfair labor practice for an employee (a) to coerce or intimidate an employee in the enjoyment of his legal rights or to intimidate his family, picket his domicile, or injure the person or property of such employee or his family; (b) to coerce, intimidate or induce an employer to interfere with his employees in the enjoyment of their legal rights; (c) to cooperate or engage in promoting picketing, boycotting, etc., "unless a majority in a collective bargaining unit of the employees of an employer against whom such acts are primarily directed have voted by secret ballot to call a strike"; (d) to hinder or prevent by mass picketing, threats, intimidation, force, or coercion of any kind "the pursuit of any lawful work or employment, or to obstruct or interfere with entrance to or egress from any place of employment, or the free and uninterrupted use of public roads, streets, highways, conveyances . . ."; (e) to fail to give notice of strike in conformity with "cooling off" provisions. Some of the bills contain a few, others all, of these provisions and additional descriptions of unfair labor practices by employees not here enumerated.

*Minnesota Bill*

A MINNESOTA bill, H. 720, passed in the house on March 2, adds to the labor relations act of that State several provisions, including some that would forbid any local union from acting as the accredited bargaining representative for employees of any employer whose business or place of employment is outside the corporate limits of the place where such local union has its principal office; make every employer regardless of any labor contract the sole judge of the number, character, and qualifications of his employees and the manner, order, or sequence of performing his work; add to the list of unfair labor practices the use of union funds to pay any person acting on behalf of any group of employees to influence employees to join or remain members of such labor organization.

Seven State legislatures have considered bills modeled on the National Labor Relations Act, but four of them either adjourned without favorable action on them or have reported them unfavorably out of committee. Such a bill has been passed by the house in Ohio and is still being considered in New Mexico. The West Virginia Legislature, which had before it such a bill, has adjourned, but information has not yet been received on its outcome.

There is a Wide Demand at the Present Time for Occupational Information by High Schools Which are Trying to Lead the Students into the Most Useful War Jobs. Much of This Information Would be of Great Use to Employment Departments in Industry Which Are Trying to Hire the Most Suitable Boys.

# Occupational Classification

BY ALFRED J. CARDELL  
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THE multiplicity of jobs and the acute shortages of manpower combine to place a heavy responsibility on the placement officer and teacher of occupations. Particularly in teaching occupational information, job requirements must be clearly defined. Therefore, some method of classifying jobs is essential, since uncorrelated, unclassified presentation of occupational information is often more confusing than clarifying. It is common practice in teaching to group occupations under general industries or fields of activities since we have learned no better way, but in considering the relative requirements of each job this method of grouping can, and should be supplemented by other methods of classification.

## *Relative Strength of Qualities*

GENERALLY, the requirements expressed in an occupational description give little indication of the relative strength of each requirement in respect to other jobs. For example, an occupational description of the job of mechanic might simply say that mechanical ability was required without giving any indication of whether little, average, or a great deal was called for. Basically, this is a fault of subjective thinking—a tendency to think only of *qualities* rather than the *quantitative differences* required within a single quality. A great many jobs call for intelligence, for example, but the question should be asked—how much? Over 360 different qualities have been listed in occupational classifications, indicating how confusing such a method may become, particularly when connotations of the same word may differ so greatly. For example, aggressiveness to a businessman may

indicate a splendid quality for a salesman, but aggressiveness to the social matron may indicate anything but a desirable quality.

Since interest in an occupation plays such an important part in determining an individual's success in that work, the first useful occupational classification must be in terms of major interest requirements. The degree of interest can be indicated in terms of "A," "B", and "C" levels. The A level corresponds roughly to the upper 6 per cent, the B level to the next 22 per cent, and the C level includes the next 22 per cent down to the 50th percentile. Since interests below average are non-operative in terms of work satisfaction, the C level need not be extended below the 50th percentile, as one would expect in a normal distribution curve.

### *400 Jobs Classified*

A SECOND consideration in determining occupational requirements is this: *with what qualifications are we concerned?* To be maximally useful these qualifications must be expressed in *functional* terms: that is, they must be grouped in terms of the *actual duties* performed or abilities operative in their performance. In classifying jobs according to the abilities required, we must consider the fewest possible such qualities which have the widest possible application. There are many unique qualities which apply to particular jobs but they are of little use in an overall consideration of occupations since they do not describe the greatest number of jobs in terms of *degree* of ability. The criteria which the author has used in the selection of these qualities are: (1) They must be *functional* in a wide range of jobs, (2) they must be *observable*, and (3) they must be *measurable*.

Working in conjunction with vocational psychologists and guidance specialists, the author has developed an occupational classification of over 400 jobs; (*4 Wartime Guidance Program for Your School*, by Alfred J. Cardall, Science Research Associates, Chicago, 1943) rated on the basis of the above criteria: (1) intelligence, linguistic and quantitative, (2) manipulative dexterity, (3) sense of space relations, (4) practical judgment, (5) clerical ability. The classification of a few of these jobs is presented on page 56 for illustrative purposes.

The occupations which the author has selected for these ratings have been drawn from Army, Navy, and civilian sources. They by no means include all the occupations of prime importance in the war effort, as many—such as physician and engineer—call for years of apprenticeship or training beyond that which the high school student can obtain before he must enter military or civilian war service. Those which are considered have been selected on the basis of the following criteria:

### *Criterion of Selection*

1. Jobs for which no initial training other than "on-the-job training" is needed,
2. Jobs for which the school provides an adequate training,

# PERSONNEL JOURNAL

## ESSENTIAL CIVILIAN JOBS FOR WHICH VARYING DEGREES OF TRAINING ARE REQUIRED

	Major Interest	Intelligence					P.J.	Cler.
		Quant.	Ling.	Dext.	Space			
Agent, freight.....	Clerical—C	C	C	—	—	—		B
Airplane rigger.....	—	D	D	C	D	—		—
Armorer.....	Mechanical—C	C	D	C	C	D		—
Assembler, bench.....	Mechanical—C	C	D	C	B	C		—
Assembler, shipbuilding.....	Mechanical—C	C	D	C	B	C		—
Balloon rigger.....	—	D	D	C	D	—		—
Blacksmith.....	Mechanical—B	C	C	C	B			
Boatbuilder, steel or wood.....	Mechanical—C	C	D	C	B	C		—
Boilermaker.....	Mechanical—C	C	D	C	B	C		—
Bookkeeper.....	Clerical—A							
	Computational—B	C	C	—	—	C		B
Brakeman, train.....	—	—	—	—	C	—		—
Bricklayer.....	—	—	—	C	D	—		—
Carpenter.....	Mechanical—C	C	D	C	B	C		—
Coremaker.....	—	—	—	D	D	—		—
Draftsman.....	Computational—B	B	B	C	A	C		C
Electrician.....	Mechanical—C							
	Scientific—C	C	C	B	C	D		—
Farm hand.....	—		—	—	—	—		—
Farmer.....	Scientific—C	D	C	—	—	C		—
Guard.....	—	C	C	—	—	B		—
Hospital attendant.....	Social Service—C							
	Scientific—C	C	C	C	—	C		C
Inspector, electrical.....	—	C	—	C	C	C		—
Instrument repairman.....	Mechanical—C							
	Scientific—C	B	C	C	C	—		—
Interviewer.....	Social Service—B	C	C	—	—	B		C
Joiner, ship and boatbuilding.....	Mechanical—C	C	D	C	B	C		—
Librarian.....	Clerical—C							
	Literary—B	C	B	—	—	C		B
Lineman.....	—		—	C	—	—		—
Lumberman.....	—	B	D	—	—			—
Machinist.....	Mechanical—B	C	D	B	B	C		—
Mail carrier.....	—	D	D	—	—	—		—
Mechanic, aircraft.....	Mechanical—B	C	C	C	B	C		—
Mechanic, airplane engine.....	Mechanical—B	C	C	C	B	C		—
Mechanic, radio.....	Mechanical—B	C	C	C	B	C		—
Medical technologist.....	Scientific—B	C	C	C	—	C		C
Milling machine operator.....	—	—	—	C	D	—		—
Miner.....	—	—	—	—	—	—		—
Molder.....	—	—	—	C	C	—		—
Motorman.....	—	—	—	D	C	D		—
Nurse, practical.....	Social Service—B							
	Scientific—B	C	C	C	—	C		C
Nurse, registered.....	Social Service—B							
	Scientific—B	B	C	C	—	B		C



3. Jobs for which vestibule schools or other kinds of pre-employment training are available to the student,
4. Jobs covered by the government-sponsored Engineering, Science, Management War Training Program.
5. Common jobs in the Army and Navy.

The five-point scale in the ratings of the requirements for these jobs is based on a normal distribution applicable to the scope of graduating high school students. The A corresponds approximately to the top 6 per cent; the B to the next 22 per cent; the C to the middle 44 per cent; the D to the next 22 per cent (percentiles from 7 to 28); and no rating at all either refers to the lowest 6 per cent or indicates that the quality is not operative in respect to the job being considered.

### *Wartime Counseling*

BY SETTING up the fewest possible work components, which are as descriptive as possible of occupations with which we are immediately concerned, the work of the counselor is appreciably reduced. Even though some might prefer to extend this number, it should be borne in mind that these ratings are essentially designed for *group guidance* and group methods of evaluation. This somewhat mechanistic form is essential in aiding school personnel with limited training for guidance to do a better job of wartime counseling.

This method should not be regarded as a substitute for counseling nor does it cover all the requirements of the jobs being rated. However, the evaluation of the factors given in the classification is more accurately done as outlined and leaves time for a more acute consideration of other factors which must depend upon the counselor's judgment.

It should be pointed out that because of the immediate demands for a functional classification of jobs, the use of pooled ratings of requirements by vocational psychologists has been substituted for more scientific techniques. It should be remembered that pooled opinions such as these ratings represent are much to be preferred to the single opinion of an individual counselor—the only other alternative.

Changes in Moral and Sentimental Values May Look Dangerous to Oldtimers. But This Has Been a Privilege of Every New Generation, and Has Become an American Tradition. Why Worry about It?

# Morals *and* Production

BY JOHN M. DANNENFELSER, JR.

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THE article "Girls In War Plants" presented in the April 1943 issue of Personnel Journal deserves a critical analysis, and perhaps suggests a reappraisal to the problems incident to the increased use of female labor in factories. The writer makes twelve rather sweeping generalizations, without any very thorough effort to obtain or cite statistical support, and apparently without any resort to social case study which the problems call for.

In passing a rather severely critical judgment on women in his plant he fails to study the background and causative factors which almost certainly would create the appearances he has noted.

## *Standards of Employment Lowered*

PHYSICAL, educational, and character standards have been very greatly lowered by employers. "Looser talking" women are no doubt being hired, and as they become adjusted to their new environment they naturally feel freer to assert their personalities normally. Sex play promoted in appearance at least by older men has always characterized close association of large groups of individuals in office work as well as factory work.

To assume that reading standards are being lowered is presumptuous. People with low standards are demanding their own kind of trash now that they have the money to buy it. Management is exerting no educational influence that will give war workers a taste for Thomas Aquinas, John Dewey, Spinoza, or Thomas

Mann. But it would probably be difficult for Mr. Mulford to cite instances of people with cultivated tastes who deliberately return to contemporary forms of literary depravity as a result of factory work.

The fact that swearing has increased is hardly a thing to get alarmed about. The more people talk the more they swear and a reasonable volume of harmless cursing may relieve emotional strain more effectively than more violent modes of expression. Enlightened people no longer regard swearing as a moral issue, and the fact that both educated and uneducated people have for several thousand years enjoyed profanity is not a major concern of enlightened management.

Increased spending in joints reflects the increased volume of dollars in circulation, a situation created by the war, high wages, and the politicians who are preventing us from paying a reasonable share of war costs out of present income. Crowded housing and family movement and dislocation contribute to this evil. Management can hardly attack the issue as a personal moral problem unless it is prepared to offer superior recreational facilities.

### *Feminine Modesty Trends*

FEMININE modesty" is what our moralists think each new generation has less of. If its absence promotes carelessness on the part of males it is perhaps simpler to get the old folks used to it than to try to change the women. New techniques in female exposure deserve less attention than they get, and management can help accomplish this end by developing in every possible manner the essential creativeness and zest for work that intelligent workers demand. Proper selection and placement and a reliable promotion plan should go far in developing job interest.

"Surreptitious love-making" naturally occurs when other varieties of love making are not available. If it is done on company time someone is certainly guilty of poor supervision. If it's done on workers' time, and is a matter of mutual pleasure, why worry about it?

Grumbling deserves careful study. Some of it has a basis in reality and any of it is worthy of management's attention. If it is the result of subversive propaganda, or is without support in fact it may be "talked out" and exposed, and the chronic troublemakers can be released or forced to cover by social pressure. If there are valid grounds for complaint, then grumbling may serve a useful function in revealing them for correction.

### *Factors Affecting Accuracy*

TO GENERALIZE about the "loss of supposed accuracy" without any statistical evidence to indicate the presence or absence of relative accuracy in specific work seems somewhat futile. If production records prove that specific women become

less accurate, the local causes contributing to the trouble deserve study. Absenteeism, ill health, pregnancy, family troubles, and numerous other factors affect the accuracy rate. If the proximity of men proves an important factor in certain instances, then the physical isolation of particularly susceptible women should be possible.

Naturally, people can't have as much home life when they work away from home all day. Our sentimental attachment to the kind of home and family we seem to conjure up out of our infancies has no very real relation to the changes in home and family conditions that occur when the whole adult family works for salaries or wages. Children, of course, need parental attention, and if there is no other agency to cooperate with the parent in sharing the child care of a working mother, the problem becomes at least partially the economic responsibility of management. Fundamentalists in this section strongly oppose the idea of men and women working together in war plants. Their preoccupation with suppressing sex makes it difficult for them to see how important the production problem is.

### *Changes in Moral Values*

**R**ESPECT for what is disappearing? A critical re-examination of the people and ideas our parents and neighbors have in previous periods respected is never out of order. Changes in moral and sentimental values may look dangerous to the old timers, but this has been a privilege of every new generation and has become an American tradition. Why worry about it?

Difficult social and industrial problems undoubtedly are arising in the new working proximity of the sexes. But management needs to approach the issues from an objective viewpoint, and with a willingness to learn and experiment and make some mistakes.

Here are a few possibilities.

Child bearing on the part of workers must be postponed in the interest of maximum immediate production. Free birth control information and guidance should be available for the asking. Management should share the responsibility for venereal disease prevention, treatment, and control.

Personality problems still deserve individual study and management should be able to promote the friendly association of congenial people in developing group production goals and forcing the allegiance of recalcitrant and difficult workers. Strangers apparently have more difficult sex problems than friends. The Slavic peoples who have escaped our Puritan traditions can teach us some things about rational sex attitudes.



*Agreed That Difficulties Can Be Minimized*

PERSONNEL workers and production foremen in this area agree that production difficulties do arise as a result of sex disturbances. They assert that elimination of one or two active trouble makers has in every instance greatly ameliorated specific troubles. Certain individuals are not temperamentally adapted to factory work. Many intelligent people develop sexual and psychological quirks in large group contacts and in the face of uninteresting routine. The new temperament tests can be useful in guiding placement and reducing the difficulties inherent in new work relationships.

Intelligent placement combined with objective and decisive attack on individual problems should go far to reduce the sex problem in production. The responsibility lies with a well trained personnel department and intelligent production supervision. Their job includes much reeducation and some elimination.

How Many Companies are Bothered with High Labor Turnover, Absenteeism, Slow-downs, Strikes, Etc.? All Companies Who do Not Have Adequate Personnel Departments. One Personnel Person to Every 100 Workers Seems about Right, Though Some Companies have More, Most have Considerably Less.

# Have Plenty Personnel People

BY R. A. SUTERMEISTER

Pacific Huts, Inc.,  
Seattle, Wash.

EARLY in 1942 Mr. Frank Hobbs, a Seattle business executive, received a challenge. He was informed that round-topped metal huts were being manufactured on the East Coast, shipped across the continent, and sent to Army outposts in the Pacific. This required large quantities of critical material, valuable railroad transportation, and even more precious cargo space.

The challenge was to design and build in the Pacific Northwest and on a mass production basis, a similar hut constructed of wood, which would require even less shipping space than the metal hut. The challenge was met. A new wood-type hut, embodying the best features of the metal hut and several improved features, was developed in the brief period of three weeks, and an educational order was sold to the United States Army in the spring of 1942.

## *A New War Industry*

WHEN in August 1942 the Army decided to increase its orders to a point necessitating the erection of an entirely new plant, an organization called Pacific Huts was set up with George K. Comstock, another Seattle business man, as Executive Vice-President. Pacific Huts was organized with two main ideas in mind: first, soldiers at Pacific outposts should be provided with comfortable shelters in the shortest possible time, and second, things which have never been done before can be accomplished if the word "can't" is ignored. Ground for the new plant was broken in Seattle on August 19th. The organization moved into its office on September 28th. Production of the Pacific Hut was started on October 28th.

The amazing speed of these accomplishments can be appreciated only when one realizes that a huge plant of ten buildings was constructed, unique equipment was designed and built with whatever materials were available, and the plant was ready for operation—in spite of priorities, material shortages, delays, and dearth of manpower—all within two short months.

### *The Personnel Problem*

THE personnel problem facing the new organization was a complicated one. To hire a force of 500 or 600 employees in times of a severe labor shortage and to weld them into an efficient operating unit presented a real challenge. Contracts were signed with the union providing for good wages; assistance was received through the union hiring hall in obtaining workers; excellent cooperation was received from the United States Employment Service in supplying workers; and use was made of advertisements in local papers in order to tap a different source of labor.

The plant was designed with the intention of conserving manpower as much as possible because manpower is, perhaps, our most critical raw material at this time. Therefore, numerous conveyors and labor-saving machines were installed so that, for the most part, the type of workers required to operate the plant is unskilled. Relatively little training is necessary, and this permits the use of temporary employees en route to Alaska, of physically handicapped workers, and of boys about to be inducted into the Armed Services.

### *Workers are People*

THE philosophy underlying personnel policies at Pacific Huts is that management should give absolutely fair and honest treatment to the workers. We have tried to put ourselves in the shoes of the workers and to attempt to understand human nature. Men have reasons for acting as they do and it is the job of management to analyze and discover the reasons behind men's actions. Proper analysis permits management to get to the root of difficulties and to remove the causes of undesirable conditions, such as disinterestedness, loafing on the job, and high absenteeism. We feel very strongly that the average worker is honest and desires to give an honest day's work for an honest day's pay.

### *Hiring*

WE HAVE attempted to employ individuals who are sincere and honest, weeding out those who are not genuinely interested in furthering the war effort. Because of our highly-mechanized plant, we have been able to provide action for our employees, to keep them busy all day long, and to develop teamwork and coordination, which in many plants of other types would be difficult to achieve.

Furthermore, we have attempted to place each worker in a job which interests him. To this end, we have transferred some employees as many as three or four

times to find the proper niche in which they will give their best efforts. We have endeavored to make work more interesting by setting up score boards on competing assembly lines so that the men know how their work compares with that of their fellow employees.

Many men on our assembly lines have mentioned the fact that time passes extremely rapidly for them. The foreman is frequently approached with two questions: first, "What time is it?" and second, "How many do we have out?" Rest periods are provided in the middle of the morning and in the middle of the afternoon for all men working on assembly lines.

### *Introduction to the Job*

IN PLACING ourselves in the worker's shoes, we have felt that we would want, above everything else, to be treated as individuals. Consequently, we have made every effort to treat each of our employees as an individual, with a personality and make-up different from that of every other worker. When a new employee is hired, he is taken out to his job with a small group of three or four other new employees. On the way; he is shown how to punch his time card and told about other routine matters.

He is taken to see the exterior and interior of a completed "Pacific Hut," and the salient features are explained to him. He is given an opportunity to purchase at reduced prices tools or clothes which he may need in his work. He is shown the location of the lunch room and told that free coffee is available there at noon and that he may either take his own lunch there or purchase his lunch. He is shown the drinking fountains and the rest rooms. He is escorted through several of the main departments so he will have a general idea of the entire operation and be able to understand where his job fits into the whole picture.

Finally he is introduced to his foreman, who shakes hands with him and proceeds to explain to him the nature of his job. In short, a new employee is made to feel at home and to realize that he has an important role to play in helping to produce a "hut" every fifteen minutes of the working day.

### *The Personnel Department*

TO TREAT each one of five hundred employees as an individual requires a large personnel department. At Pacific Huts we have eight in the department: A Personnel Director; an Assistant Personnel Director; an Interviewer; three general assistants to help interview, answer questions, fill out employment forms, and keep records; a clerk in charge of rationing and transportation; and a nurse. With this relatively large staff, many desirable services can be rendered to the employees and an intimate relationship established between management and each individual worker. The physical surroundings of the plant are outstanding for cleanliness, light, and safety. An employees' lunch room has been established inside the plant.



Assistance to employees is provided in matters such as securing transportation, obtaining gas, sharing rides, finding lodging, and even making income tax returns. With management encouragement but without management compulsion, 90% of the employees have chosen to invest over 10% of the total weekly payroll in war bonds.

### *Supervision*

ONE of the important factors in any organization which desires to build a high level of morale among its employees is the calibre of its foremen and supervisors. They are the ones who really carry on the personnel work in an organization. Marvelous personnel policies formulated by management are useless if proper supervision is lacking. Pacific Huts is fortunate in having for Superintendent, Mr. Paul Holton, who is highly respected by all the men for his absolute fairness and for his cool-headedness.

Our foremen were selected on the basis of their ability to "lead" rather than to "boss" their subordinates. They have been trained in proper methods of instructing new employees, of increasing the efficiency in their departments, and of supervising their men. The Training-Within-Industry Division of the War Manpower Commission has given us great assistance by presenting to our foremen its courses in Job Instructor Training and Job Methods Training.

### *Individual Records*

TO INSURE that each individual in the organization receives the proper attention from management, his complete service record is reviewed every two months by the Personnel Director. Every employee is rated by the Assistant Personnel Director every two months so that we know the calibre of work which each man is doing. Foremen are provided with slips which can be given to an employee either for commendation or criticism. A copy of the comment made to the worker is placed upon his permanent service record. In this and other ways, such as deserved promotions and an occasional employees' banquet, recognition is given to the workers.

An attempt is made to pass along to the workers information concerning the product they are manufacturing. Articles and pictures concerning the Pacific Hut are posted conspicuously on the bulletin board. One section of the employees' hand book contains pictures of various operations, together with a short story about straight line methods of production.

### *Cure for Absenteeism*

DISCIPLINE has been invoked to protect the good men in the organization from those who might take advantage of their positions. Definite rules regarding absences have been set up and are fully explained to each new employee. If he is

absent without notice to the Personnel Department, his employment is subject to termination. Thus, those workers who are conscientious in coming to work every day are spared the irritation of constantly having to break in new men on their operations. When an employee who has been absent returns to work, he has no time card in the rack. He must come into the Personnel Office and offer an explanation for his absence. In this way, he is made to realize that cognizance has been taken of his absence and that it is considered a serious thing by the company.

### *Personnel Director's Job*

NO DUTY of the Personnel Director is more important than that of spending at least some hours a day sauntering through every department of the plant and chatting informally with the workers. In this way, the employees come to look upon a representative of management not as a stranger but as someone with whom they are well acquainted. In these trips, the Personnel Director will always stop and ask questions of twelve or fifteen employees relative to themselves, to their jobs and to their likes and dislikes.

This provides a simple and a natural way for employees to have direct contact with management. Their questions can be answered; they can be transferred to other jobs if they are unhappy in their present positions; and genuine or mythical grievances can be settled on the spot before they have a chance to develop into major complaints.

These personnel policies are custom-tailored for our relatively small organization of five hundred workers and for our highly-mechanized plant. They might not be so admirably suited to other organizations which have more intricate problems. That they are sound for our organization, however, is evidenced by the low rate of absenteeism in our plant, which is usually around 2%; by the amazing speed at which the employees work; and by the feeling of satisfaction in a day's work well done, which can be read on the faces of the workers as they finish their shifts.

The spirit and the accomplishments of the workers at Pacific Huts, Inc. is convincing proof that most men are sincere, that they earnestly wish to produce, and that if management treats them as individuals, they will make as creditable a record as soldiers in the field.

A Personnel Director should be a representative of the workers, with sufficient authority to rectify any wrongs that have been committed against them. He should interpret the workers to top management and interpret top management to the workers. In some ways he is comparable to the union business agent, bringing the worker's grievance to the attention of a foreman, of the Accounting Department, or of anyone in the organization who may not have treated the worker fairly.

*Duty of Top Management*

HOWEVER, the Personnel Director is employed by the firm, and just how far he can go in seeing that the worker gets a square deal depends upon top management. Many Personnel Directors spend a significant portion of their time trying to sell to a conservative top management policies which they know are sound. This is not the case at Pacific Huts. Our president is very personnel-minded and has given marvelous support to the Personnel Department. This unusual cooperation has made the job of the Personnel Department much simpler than it might otherwise have been. To explain the success of our personnel policies without mentioning the support of top management would be to paint only half a picture.

*From "Northwest Industry," published by the University of Washington, College of Economics and Business, Seattle, Wash.*

War Production Committees that Aim to Increase Production through Enlisting the Cooperation of Employees with Management Always Run into Troubles of One Kind or Another. The Small Number of Them in This Country Actually Doing Any Good is Evidence of This.

# Suggestion Box Psychology

BY CARL F. WESTERMANN

Columbia Steel and Shafting Co.,  
Pittsburgh, Pa.

**N**O DOUBT all the War Production Drive Committees that invite suggestions from the workers have puzzlers to clarify in such a way that the worker's ego is not discounted nor his deficiencies emphasized too much. After all, humans are humans and the only human who never made a mistake is in the cemetery.

Rules, of course, always aim to control the functions of the suggestion system; but when the human equation becomes involved, it is a question which is the better—a cold rigid rule that is as frigid and unsympathetic as an icicle, or human sympathy that responds to kindness and pays dividends in good will and good fellowship.

## *Breaking the Rules*

**H**ERE'S a fellow who drops a suggestion in the box—his first. When the winning numbers are posted, several stubs are not turned in—among them the stub claiming the first prize. One of the men in the shop talks about his suggestion to the Superintendent and how proud he is of it, but he confesses that he lost his pocket book containing the stub and he does not remember the number. He does remember, however, that he wrote his check number on the back of his suggestion. "Will the Superintendent please ask the committee to see if it is a winner?"

Two of the rules have been broken here—one rule that requires the identification stub for recognition, and one that says a worker must not write any identifying characters on his suggestion. The Superintendent confers with the Suggestion



Committee chairman; the chairman does a little investigating and finds the check number on the back of a suggestion and what do you think? It was the suggestion that had been given first prize.

### *Employees Who Quit*

TO COMPLICATE the situation, the winner disappeared and was dropped from the payroll. It developed he had left his wife penniless and without any knowledge of his whereabouts. According to the rules, the committee could refuse to make the award but it didn't. The committee gave the wife the money, and it was like Manna from heaven.

Another employee quit for some reason. His award was small—\$3 worth of stamps. When the committee couldn't locate him to pay the obligation and his foreman reported that he had left the company, the committee decided it was worth three dollars to let the awardee know that it played the game square, even though he had retired from the organization.

The stubs are rather small; but when a fellow loses two at one time, one begins to wonder. This chap frankly stated he lost his stubs. When he was asked to write out the ideas again, he did it with no hesitancy. It made more work for the committee, but the suggestions were spotted and he received his War Savings Stamps and was happy.

Another situation developed when two employees who had winning suggestions in the box accepted other jobs nearer their homes before the awards were announced. Would it be wise to forget their entries? No indeed. Both men, when they departed, left their stubs in the hands of friends; and when the numbers were posted, they presented the stubs on behalf of their departed comrades. The committee accepted the stubs without question and sent the awards to the winners by mail with a friendly letter.

### *Use of Scrap Paper*

ANOTHER employee dropped in a suggestion written on a piece of scrap paper with a footnote that suggestion blanks were not available. His suggestion won Honorable Mention; but he didn't claim his award; that is, not for almost eight weeks. One day he met the Suggestion Committee chairman and asked about his award, and why he hadn't received it. The chairman told him his stub had never been turned in. He countered with the statement that he had turned it over to one of the guards who in turn was to give it to the Personnel Director. The stub was also on a scrap of paper like the suggestion, and it was so small it could easily be lost. The chairman checked with both persons who verified the claimant's story, and the committee gave the awardee his prize. Was he tickled? Here's what he said with a big grin on his face "My boy's been looking for these war stamps to put in his book." It would have been a shame to break that man's morale on a technicality.

One worker came in two weeks late with a winning stub. Said he couldn't read the bulletin board because his glasses were broken. Technically he was wrong, but was it better to hold his good-will and pay him or turn him down and discourage him?

### *Action of Committee Member*

A MEMBER of the Suggestion Committee dropped a suggestion into the box; and it was accepted as a winner until the rest of the committee discovered what was taking place. Imagine the committee picking its own suggestions as winners! The other members of the committee acted in good faith when they recognized the suggestion on its merit. They told the winner they would accept it if he would give the money to charity, which he did. It was to be understood in the future that no committee member would be eligible for awards.

Some of the boys do not always meet the deadline in turning in their stubs, but it's a good idea to waive their apparent carelessness. Their excuses may be varied, but they are usually honest and sincere. It's true rules are not made to be broken; however, a rule that does not have some flexibility may do more harm than good. Sometimes the boys do not read the bulletin boards, and it helps to get stubs in if the winning numbers are announced over the loud-speaker system.

The suggestion box helps to direct and develop the workers' thinking habits. It is also one of the best ways to gain the friendship and confidence of the workers. You learn what they think; and when you know how they think, it is not difficult to arrive at a common understanding which is mutually beneficial.

Liberal rules in handling suggestions will uncover new talent in an organization, possibly executive material that just needs cultivation.

# Book Reviews

*Book Review Editor*, MR. EVERETT VAN EVERY

California Personnel Management Association, Berkeley, Calif.

## MANPOWER PSYCHOLOGY

By Lee J. Conbach. Pullman, Washington. State College of Washington. 1943. 20c

A guide to recent developments in employment psychology is available in a bibliography, *Manpower Psychology*, just published by the State College of Washington. The bibliography lists and describes 147 articles, chosen from those published between 1931 and 1943. Selection was made on the basis of clearness, practicality, and psychological soundness. Topics such as job satisfaction and morale, which have received little discussion in textbooks on personnel psychology, are emphasized in the bibliography. Topics included are: job satisfaction and motivation, grievances and labor relations, leadership and group morale, handling personality problems, selection and rating, womanpower, training, and environmental and physiological influences.

The bibliography may be used in teaching employment psychology, to guide students to the best source material, and may be used by persons in the field who wish to bring their knowledge up to date. The bibliography was compiled by Lee J. Cronbach, assistant professor of psychology, State College of Washington, Pullman, Washington, and may be ordered from the college. The price is 20c per copy; 10c each in lots of ten or more.

## PUBLIC LIBRARY SERVICE TO BUSINESS

By Business Branch of the Newark Public Library. Newark, N. J. N. J. Public Library. 215 pp. Price \$3.50

A comparative study of the services rendered to business in cities of over 70,000 population

As a detailed study of procedures in libraries of many sizes and problems, it provides:

An account of the practices followed in selecting and maintaining business collections of all types.

An analysis of the use and the relation of cost to use in connection with investment services, city directories, business directories, books and magazines.

A description of the methods used in relating the work of the public library to the business community. .

A discussion of the relationship between business book and magazine publishers, directory publishers, government bureaus and librarians in the production of these publications.

The statistical data on budget costs, hours, size of staff, etc., in the field of public library service to business.

A record of the resources in city directories, trade directories, investment services, war services, business books and magazines in cities over 70,000.

All these and other phases are presented in a volume consisting of 40 pages of comparisons, problems and trends; and 157 pages of data from the reporting libraries. To this is added supplementary statistical and directory matter, a selective reading list and check-lists of trade directories and business periodicals. Based on material gathered and compiled by the staff of the Business Branch of the Newark Public Library.



# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION  
Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 3*

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"Wakened Feeling a Bit Brighter, and Decided to Go to Work, But with a Mental Note to Take Things Easy for a Day or Two. Easier Said than Done, But It Seems Better to Go Steady and Get Some Work Done Than to Crack Up and Have to Leave It Altogether." (Diary of English War-Worker.)

# How *to* Cut Absenteeism

BY DIVISION OF LABOR STANDARDS

U. S. Department of Labor,  
Washington, D. C.

ASKING the personnel director of a busy war plant if he has an absentee problem is like asking a stray dog if he has fleas. The answer is yes, but sometimes they bother him more than others.

Fleas yield to treatment—if applied with enough persistence. So does absenteeism—though the prescription may be different and more complex.

This source of lost production, more serious in time of labor shortage, is a symptom rather than a disease. It is a symptom of difficult working or living conditions or of individual maladjustment.

## *Job Satisfaction*

IN ESSENCE, controlling absenteeism lies in correcting or ameliorating as many of its causes as possible and in overcoming incentives toward absence with incentives toward attendance and steady hard work. And we don't mean money incentives either! We mean the job satisfaction that arises from a happy blending of the worker's capabilities and interests, from a knowledge of the company's sincere concern for his welfare, and from the social approval he may earn by his skill. To these incentives, something new has been added.

The war permits us to call upon his patriotic resolve to help his brother or son on the fighting fronts. *Provided*, we convince him of the importance of his job to the war effort. We mean the incentives, in other words, to the accomplishment of which PERSONNEL JOURNAL has dedicated so many of its pages, and for the accomplishment of which we must look primarily to the art and science of personnel management.

As for remedying the causes of absenteeism, much has been written. Basic, of course, is to discover what they are and the extent of the problem they create. "Audit Your Absenteeism", said John F. McMahon in the *PERSONNEL JOURNAL* last November. Absence records are necessary to reveal quickly who is absent, how long, how often and why and whether authorized in advance or excused. Absenteeism rates may be calculated for the plant as a whole, by departments, shifts, days of the week and by sex.

To facilitate comparison, the Bureau of Labor Statistics recommends that absenteeism be measured in terms of man-days lost except in large plants whose facilities make man-hours easier. Absenteeism rates may be secured by dividing man-days lost by man-days scheduled. Any concentration of absentees whether on certain days or in certain departments or in any other category should be looked into carefully. The war plant's rate may be checked against the industry rate now published monthly by the Bureau of Labor Statistics for many war industries.

### *Interest Top Management*

SUCH figures may be used to interest top management in the problem. Every personnel man knows that unless top management is interested in an important personnel problem and backs sound personnel and industrial relations practice, control programs lag. There is nothing especially new or mystic about controlling absenteeism unless it lies in the art of inspiring men to greater effort. And this is not exclusively a problem of absence control. The main trouble is, the techniques we already know are not widely enough used.

Causes may be surveyed by occasional spot studies if thoroughly and conscientiously made. Or, if facilities permit, causes may be regularly compiled from interviews by foremen or others with returning absentees. It is difficult to get causes objectively reported, and if reasons are casually given and accepted, little of value may result from the most painstaking statistical tabulation. If the personnel department accepts a defiant worker's excuse that he was "drunk" Saturday night or suspects him of pretending illness, it may not reach basic causes.

Most personnel authorities agree that liquor is not a cause, but, like absenteeism itself, a symptom of discontent with the job, personal troubles or something else. Pretended illness may mean that the worker is afraid to tell management the truth. Why? H. Ford of Cadillac Motor Car Division of General Motors said, following interviews, that "approximately three out of four habitual absentee cases could have been prevented had the employee had confidence in someone to whom he could take his personal problems."

### *Causes Studied*

CAUSES have been widely publicized. More than 200 war firms pooling their absenteeism experience with the Division of Labor Standards, U. S. Department of Labor ranked personal illness first, then transportation difficulties, long hours,

high wages, bad nutrition, lack of child care, illness in family, wives visiting husbands in military camps and bad weather. In all they listed 26 causes and there are many more. (Details of survey may be secured by applying to the Division of Labor Standards, U. S. Department of Labor, Washington, D. C. for "Controlling Absenteeism—A Record of War Plant Experience", and "Auditing Absenteeism—Absence Record Forms in Use by Representative Firms in War Industries.")

Suggested remedies have also been widely discussed—although perhaps not enough stress has been laid on the constant ingenuity it takes to find and effectuate practical ones. What will work in one plant may not succeed in another. An experience at the Corn Products Refining Company at Argo, Illinois where absenteeism was reduced in 3 or 4 months from 8 percent to 4 or 5 percent, led B. W. Warner to say: "We have found to date no system that lastingly will keep our absenteeism down, and we launch on these new programs with the idea that they will help us for a month or two at the most."

Sound controls may reduce absenteeism in a given work force to near rock bottom levels except for a few incorrigibles, but labor turnover makes constant effort necessary. Even with so-called job stabilization, inductions into the armed services and expansion of personnel result in the increasing employment of new workers who are unaccustomed to industrial life—women, older workers and those physically under par.

### *Basic Attacks on Causes*

THERE are, however, certain basic attacks on absenteeism causes. Plants have used their medical departments—designed primarily to handle industrial accidents and disease—to examine workers and refer those with ordinary illnesses or preexisting conditions to their own physicians. They have installed transportation coordinators to arrange car pools and rides, care for employee's rationing needs, and work with public transportation companies on improved schedules or supervise company transportation.

Plants with overlong hour schedules have, in some cases, reduced them or provided rest periods, other firms have urged their workers to put more of their increased earnings into war bonds and otherwise to practice thrift; they have provided hot well-balanced meals at cost in plant cafeterias, supplemented the worker's lunch box with rolling carts carrying milk, citrus fruits and enriched breads and pastries and conducted educational programs on good food habits. They have worked with community agencies to establish child care facilities, have pre-planned leaves for wives to visit husbands in camp and have even prayed to God for good weather.

### *Building Job Satisfaction Is Tough*

THE more of these and other causes which can be removed or ameliorated, the less resistance to good attendance will have to be overcome by depending on job satisfaction. The two are naturally interlinked but building job satisfaction is tougher, especially in wartime.



Plenty of psychological research is still necessary on what it takes to build job satisfaction. But wartime demands for speed and colossal expansion and the resultant shortage of trained manpower—which starts with top management and wends its way through personnel departments, through supervisors to the lowest custodian—creates conditions which make it exceedingly difficult to apply what is already known. Thus war adds urgency to two challenges facing personnel authorities—to continue to learn more about what we don't know, and to figure out how under the sun we can now apply what we do know.

One large aircraft concern opened its survey of plant absenteeism with the importance of proper placement and promotion. If selection can be less stringent because of labor shortage, at least there can be clear job analyses. Job applicants should clearly understand their duties and, as this concern states, be shown around the department where they are to work and a few others, if not the whole plant. They should understand how what they are to do fits into the finished product. A hasty glance at "flashy" departments like final assembly in aircraft does not make for job contentment later.

### *Company Rules Made Clear*

NEXT, the rules of the company should be made clear *previous* to concluding the contract of hire. Handbooks, especially if jointly prepared or accepted by management and union in plants where organizations exist, can explain company policy. Complaints are legion today about matters, many of which, had they been explained to workers previous to entering company employ, could have been prevented—girls won't wear safety clothing, will wear sweaters, tumbling curls, jewelry, open-toed shoes—workers don't use first aid service—don't understand about grievance machinery, if such exists, which it should, and hornets' nests are stirred up they don't report absences promptly, etc.

Handbooks on rules won't do the whole job. They must be reinforced by personnel men, foremen, company house organs and other publicity methods. Careful induction also will save a lot of later headaches.

### *"Praise and Hell"*

CAREFUL training not only in how to do the job but also how to do it safely pays later dividends—training under supervisors who are themselves trained to mix "praise and hell," as the president of a large shipbuilding company told a Congressional committee; who are patient, understanding and thorough; who explain how, show how, watch the student do and encourage improvement.

Then how can management and personnel men get over a similar attitude to foremen under whom the new employees will work? What do they do to the tough old bird—or the green foreman who thinks he is now an executive—who "cuss out" workers instead of leading them? Plants have used weekly foremen meetings for

training in human relations and for insistence by management that sound methods be used. The problem is to do this in the hurly-burly of wartime production.

Officials in plant after plant have insisted that the foreman is the key to controlling absenteeism. He knows, or should know, his workers best and what it takes to get the best out of each. He should make an effort to know the personal problems of each and get across the company's sincere desire to help the individual work out these problems insofar as possible. He can refer such individuals to the Counselor Service or Welfare Director—offices which have been set up in many war plants. Particularly is sympathetic treatment necessary with women workers who are not accustomed to the rough and tumble of industrial life. The foreman can also administer the disciplinary word to the persistent absentee.

### *Counselor Services*

COUNSELOR Services really make an effort to help. Whether the problem is no money for an operation, no time for shopping, nobody to leave the children with, or lack of laundry service—plants today know they must help workers adjust to the difficulties of wartime living and working if they want to keep them on the job. Here management comes back to the first problem of removing causes. It works in the community to rearrange shopping hours with stores and set up child care facilities, help workers cash checks and pay bills. A few plants even do the workers' laundry—plenty of laundry equipment is available but not enough labor.

Personnel men agree that a competent worker well integrated in the job should have an opportunity to present ideas—and get them past the foreman, if necessary. Labor-management committees have formalized this opportunity in many plants. Good personnel practice gives him a chance at further training and upgrading. Good attendance and efficient work is recognized not only by promotion but along the way by running his picture in the company house organ, by praise from the foreman within earshot of the big boss and fellow workers, by an award emblem he may wear in his button-hole.

### *No Ballyhoo Without Performance*

MANY companies are doing an excellent job with house organs and other promotional media because the ex-advertising men who run them understand human psychology. Management policy should be in line, else publicity will be ballyhoo without performance—a first-class breeder of employee cynicism and discontent.

Labor-management committees have effectively interviewed chronic absentees—a fellow worker with a son in Sicily can impress the importance of good attendance upon an absentee much better than even a good foreman.

Other causes of absenteeism are not primarily the responsibility of personnel directors but they may see them reflected in higher absence rates. One is poor work-

ing conditions—inadequate ventilation, lighting, sanitary facilities, seats for women, lunch room facilities, lack of machine guards, poor plant housekeeping and the like. Workers say, “Sure this is war—but can’t we work pleasantly?” Personnel directors may use absenteeism rates to show management the need to correct some of these difficulties and incidentally, speed up production. Much can be done even with material shortages.

### *Effect of Production Planning*

ANOTHER serious cause reflected by management testimony on absenteeism before the Labor Committee of the House of Representatives is poor production planning. A lot of sound personnel practice can be cancelled out if workers reach the job and are kept idle because of material shortages; if gangs of ten men are assigned to do the work of eight; if they see finished products stocked up outside the plant. Every production effort should be made to keep work flowing smoothly, these company officials testified; if extra workers are necessary, they should have several skills so they can be quickly assigned where they are needed each day and not create idleness; if breakdowns in work flow occur, W. S. McLean of Fisher Body Division of General Motors says, workers should be told why.

Absenteeism is a human problem—its causes are many. Correcting them requires, as one personnel director put it, all the tools of a good industrial relations program. Comforting or not, absenteeism is a measure of the effectiveness of plant personnel and industrial relations practices.

Current Talk about War Production has Done Much to Produce Dissatisfactions and Distrust. It is Sometimes Based on Facts, Sometimes on Fantasies, Sometimes on Facts Inadequately Understood. The Actual People in Production Require Our Attention, with Special Reference to the Use that is Made of Them.

# Skill, Intelligence *and* Temperament

BY DONCASTER G. HUMM

Los Angeles, Cal.

THE three parts of an adequate personnel program are: first, selection; next, upgrading; and finally, reports on the effectiveness of the program as found from your performance reports on the employees.

If your program is to be successful, it will be scientific. I don't mean in any sense it will be high-brow, because science in its true essence is simply good sense in a particular field. Science proceeds from an evaluation of the facts to the arrival of sound conclusions based upon those facts. If your program is going to work, that will have to be your guiding principle.

Scientific method is simply the proceeding to conclusions from the gathering of facts and the inspection of the relationships that exist in those facts.

## *Observe Three Rules*

OF COURSE a man who propounds such a program, and who attempts to follow it through, will have to observe certain rules. The first thing is the rule of proof, so he may know that he is dealing in facts; the second is the rule of keeping an open mind, so that he will not neglect any facts; and the third is an honest skepticism.

Your scientific method must deal first with the gathering of facts, next with open-mindedness, third with an honest skepticism, fourth with reservation of judgment, and finally with a conclusion. If you have observed these rules, your conclusion is very likely to be sound. If you have not observed these rules, it is very easy to make a mistake.



Now, taking up the first point in the program, selection. I am going to discuss that from a historical standpoint and let you follow the route that my colleague, Major Guy Wadsworth, and I followed so painfully when he was setting up the first program for the Southern Counties Gas Company in Los Angeles, California.

We started out with the assumption that nobody knew a great deal about personnel work, including ourselves, and that the only way we could find out the important things to be done was to discover what was needed. We assumed that it would be easier to discover the individuals who were not doing so well—that it would make the problem less laborious—so we isolated all the problem or unsatisfactory employees of the company and studied them.

First of all, we administered intelligence tests, and discovered that intelligence tests were a good tool for selection, if we would place people neither too high nor too low. We discovered that the individual who was too low in intelligence didn't have the learning power to master the functions of the job, and the individual who was too high in intelligence quickly became dissatisfied and became a problem.

### *Problems of Temperament*

WE DISCOVERED that it was a useful tool, but we also discovered that intelligence, or "inappropriate intelligence," only explained about six or seven per cent of the problem cases.

Then we proceeded with tests of skill and tests of aptitude, and discovered precisely the same thing; that, if an individual was placed in a position where his skill was not adequate, he would make a failure; and, if he was placed in a position where his skill was not fully utilized, he became disgruntled. But again we found that would explain only six or seven per cent of the failures.

Then we started in to review the physical examinations, and had some done over again; and again six or seven per cent were found to be problem employees for physical reasons.

All told we had explained less than twenty per cent of our problem employees. We finally decided that there was only one thing to do—make a case study of every individual and find out why he was a problem. This was quite a job, but we did it.

### *Case Studies*

WE FOUND that eighty per cent of those employees were problems because of some quirk or unusual feature in their dispositions or temperaments. All told the investigations we made explained about ninety-eight per cent of the problem employees. Accordingly, a program for selection was set up which included intelligence tests, tests of skill, physical examination, and a short case-study. The short case-study caused great difficulty because it was time-consuming and expensive, and it occurred to me that we might make a temperament scale to measure disposition and temperament. I was then working with Dr. Aaron J. Rosanoff, the psychiatrist,

and found his analysis of temperament very valuable. I thought we could rather easily make a temperament scale based on his analysis. Rosanoff warned us it would be a very difficult job, and he was right; it took us three years. We found, finally, that we had a satisfactory measuring instrument, and were able to measure personality well enough for our purpose.

### *Personality vs. Temperament*

THIS brings me to a definition of what personality is in our parlance, and how it is distinguished from temperament. Personality means to me the complete make-up of an individual; his physical make-up, his mental make-up, his temperamental make-up, his skills, personal beauty or lack of it, his strength. Anything that is an attribute of a person is a part of his personality; and personality of itself is the complete summation of all his attributes.

Temperament is a part of personality. Every individual has built up in himself certain tendencies to react to situations. He meets a given situation and usually reacts in about the same way. We say that is a trait. For instance, I always get scared when I get up before an audience; that's one of my traits; but after I get up, a few people smile at me, and the stage-fright disappears. Then I am a good deal more at ease. That's a trait. We are all bundles of traits.

There are many groupings of traits. Rosanoff's theory, the one we have followed for the last several years, lists seven components of temperament, or seven groupings of traits. One group has to do with the general adjustment of the individual, his regulation of his tendencies, the drive toward improvement, the amount of will power—if you define will power as the habit of persisting in the face of difficulties—and some other traits that tend to integrate the personality.

Another group consists of traits associated with selfishness, which range in degree from such undue selfishness as to constitute criminal behavior, to their opposite in self-sacrifice.

Then there are two groups of emotional traits, one cheerful and active, and the other depressed and retarded; then two groups of imaginative traits, one called autistic, which consists of the traits you notice in shy, bashful individuals, people who tend to shrink from social impact; and another that consists of the traits of hard headed, stubborn people, who are inclined to the vigorous defense of their ideas.

### *The Man Who Goes Through With a Job*

AND, finally, the group of traits that have been found associated with epilepsy. We have an unfortunate name for that group, since we call it epileptoid; but in the normal population it has to do mostly with urges toward projects, and the careful meticulous carrying out of those projects. An individual who is strongly epileptoid lives from one project to another. He will pursue each project with meticulous attention to detail, and finally get it all wrapped up in a nice neat bundle,

with the bows all tied precisely, dispose of it, and immediately start in on another project. He lives from one project to another.

In selection, temperament is exceedingly important. As I said, our original study showed about eight per cent of unsatisfactory employees were problems of temperament. Since we made that study, two other studies have been made, verifying that finding. Temperament is an exceedingly important thing, but it is not any more important than intelligence or skill, because a given individual may fail because of a warped disposition or temperament, or he may fail because he doesn't have the skill, or he may fail because he had inappropriate intelligence.

### *Be Wary Of Statistical Measures*

STATISTICAL measures are exceedingly important in the personnel program. But statistical measures can be run into the ground. Any such measure can be taken too seriously, and as soon as you begin to take anything too seriously and believe in it too strongly, you are on shaky ground.

The way we look at it is this: Statistical measures are assistants or aids in determining the potentialities of an applicant. They are never a criterion in themselves. We never take an intelligence test finding in our testing room as a final conclusion. If we did, there would be many cases in which we would be misled. But we do take them seriously enough, because we know that an intelligence test can measure intelligence a good deal better than any of us can estimate it.

Similarly, a standardized test of skill can appraise the skill of an individual better than even a skilled foreman can. You have some of the finest test constructors in the country here in Chicago. They can tell you about test construction. I am sure they will tell you what I have told you—that tests are valuable if they are used with the right kind of technical skill; but if they are not so used, well then tests simply will increase your bill for aspirin, and they won't do very much more for you.

Before I leave the field of selection, may I say that I believe that the present trend in testing has a faulty emphasis. Everybody is talking about aptitude testing. If you are right in the swing of things, you are doing some aptitude testing.

Aptitude testing is very difficult, because by definition, when you test for an aptitude, you attempt to predict how much skill can be developed in a particular individual. In other words, you take Johnny Jones, who never had a lesson on any musical instrument, and predict how good a musician you are going to make of him. That's a very difficult task.

Any kind of prophecy is a very difficult task. After all, perhaps we mean not aptitude testing when we talk about it—perhaps we mean rather skill testing. It seems to me there is too much emphasis on one particular type of test, for the reason that skill testing will not solve more than ten per cent of the problem cases among employees.



*Must Consider Temperament*

ACTUALLY, the applicant who comes to your door has done a pretty good job at estimating his own skill. In a great many cases he has had the training and he knows that he can do the work. It isn't that skill is any less important than intelligence, or any less important than temperament; it is rather that good pre-selection is made by the applicant himself, and his failures aren't as great as they are in some other phases of selection.

Similarly with intelligence. While it isn't the rule, there is a tendency for individuals to seek certain intellectual levels in jobs. The man who has little intelligence does not try, as the usual thing, to get into a job that requires a great deal of intelligence.

The big failure in many testing programs is the failure to consider the factor of temperament. I don't believe you can make a good selection without some adequate measure of temperament, such as a psychiatrist's examination, a psychologist's examination, or a standardized test. Sometimes a measure of temperament may be secured by a real investigation of the man's background and training and his references. You can make investigations that really bring forth whether or not the individual is an honest person, and a reliable person, and a person who has control of his attributes, in other words, who is not handicapped in temperament. You can find that out, whether or not you use a temperament scale; but if you don't find it out, you are not making a good selection.

The second point is worker adjustment or upgrading. If you use tests for selection only, and if you use the data you obtain when the man is hired only for the purpose of putting him on the job, you are not being very effective. The applicant spends the first day being selected, and possibly the rest of his life on the job. Accordingly, upgrading is important.

*Testing More Vital Today*

THERE was a time when the companies could get exceedingly fine results by a process known as "cream-skimming." They would give prospective employees tests. Then, if the intelligence wasn't just right and skill just right and temperament just right and physical fitness just right, they wouldn't hire them. They got a fine bunch of people. But you cannot do that today.

The men who come to you and apply for jobs are too frequently mentally sick, perhaps not so mentally sick that it is obvious, but sufficiently mentally sick that they ought to be receiving assistance rather than trying to earn a livelihood. Those are the individuals who are emotionally out of gear, or who are somewhat queer, or who are going around with chips on their shoulders, or even those who had better be in your State prison than on your employment rolls. Some can be described only as "impossible." They are not merely handicapped, they are disabled, and



there is no profit to them or to you in taking them in and then firing them a few days later.

At the present time, testing should go on much more vigorously than it has in the past. You need it more now. You need it also to know what to do with the people who are in your organization, in order to utilize them for much needed production.

What are we going to do with handicapped workers? You can't have all good people now. It means you have to train them, and in many cases it means you have to re-train them. You have to break down bad habits and build up good ones. Not only that, you have to teach socially awkward people how to get along with other people in the organization, how to adjust. That means some form of educational program and some form of a counselling program.

### *Objective Efficiency Reports*

**I**F YOUR organization is large enough to have separate departments for education, counselling, and personnel, these departments must work hand in hand. Otherwise, you will find yourselves working at cross purposes.

There is no general rule for upgrading or adjusting. The only way you can tell what your firm needs is to examine the needs of your firm. The emphasis may be in the training, or it may be in the counselling. I wouldn't be surprised if it were a little of both.

Finally, you need an objective efficiency report. I wish I could tell you that that was the common trend now-a-days, but it isn't. I don't know a dozen big firms in this country who have a rating program or an efficiency reporting program that is truly effective, because most rating programs are based entirely upon opinion.

The only tools of straight thinking are facts. If your rating system isn't a factual rating system, it isn't worth anything. It won't serve you a snap of the fingers if your findings are disputed. It is quite simple to get facts, because you already have them. Nearly every organization has production records and attendance records and spoilage records, and all you need is to break these records down by individuals to have a simple efficiency record, except for one phase, temperament. There is a simple way of dealing with it, that is, to keep a record of episodes as they occur.

### *Deal With Facts*

**I**F you have a worker with a fine, genial, cooperative temperament who is always doing things that make you want to pat him on the back, you ought to have a record of those episodes. At the same time, if you have an individual who is a trial to everyone from the foreman to the president of the company—who is always doing things that anyone seemingly ought to have the sense to see are wrong,—his actions ought to be recorded.

If such episodes, with the time and the place and the persons recorded, are recorded, you can go to court anywhere in the land and establish a case, either a good case or a bad case.

If you are going to be scientific, you must deal with facts. You will be truly scientific and an expert personnel manager or expert office manager, if you will deal with facts in selection, in your upgrading program, and in your report program.

### *Discussion*

*Q.* How do you keep an episode record?

*A.* If you keep a record of the misdeeds only, the personnel of your organization are going to know that, and it would be an understatement to say you will be unpopular. But if you keep both sides in view, you will keep an open mind and try to keep complete records.

*Q.* Do you try to centralize the record, or do you have the unit head keep a record and send it to a central unit?

*A.* The problem of how that is handled within the organization depends upon the needs of the organization. It depends upon lines of authority and the like. Sometimes it is a good thing to have it done by every individual who has authority over others. That means a very definite educational program. Foremen aren't all able to distinguish between facts and opinion.

*Q.* Do you believe that the temperament of an individual changes, or that it can be changed and developed?

*A.* Oh, undoubtedly. Environment has a strong effect on temperament. Heredity also has a strong effect upon temperament.

*Q.* There seem to be two schools of thought in connection with the application of tests in selection. One is that of using them to bring into the organization nothing but Vice Presidents, and the other is that they are trying to select levels of intelligence for levels of open jobs in an organization. Would you care to say something about that?

### *Dry Rot*

*A.* I think I would do both in a personnel program. I don't like the organization that has the policy of hiring a new office boy every time the President dies. That's carrying the thing too far in one direction. There are a lot of organizations in this country that are suffering from dry rot from that policy. They get a lot of very bright young men in jobs which do not require high intelligence. These men are ambitious and push forward and as a result they are squelched. Finally they are squelched so many times they lose their initiative; when, by the natural process of seniority, they reach the top positions, they probably have already been spiritually dead for ten years.

That's describing the worst side of it. On the other hand, you have to take on some individuals who have the ability to go ahead. You ought to do this with your

eyes open. The best executive is probably the executive who grows up with the company. But you don't want to have very many geniuses start in as office boys. If there are more than can be rapidly advanced, there will be a lot of dissatisfaction among them. The thing to do is to select some, not too many, and then watch them carefully. About the time they begin to show evidence of uneasiness, give them a new job that requires all of their effort to learn and keeps them busy. Presently you will find you have had them working nearly all over the plant, and by the end of that time, maybe they have grown up enough, matured enough beyond adolescence that you can use them in executive capacities.

### *Job Level Theory*

*Q.* Do you advocate using intelligence tests to allocate people in certain job levels in organization, or to determine their eventual positions in certain jobs?

*A.* As a rule I would say you must not take an individual of too high intelligence and place him permanently in a job that does not require that intelligence. That's practically the job level theory. You can make an exception to that rule so long as you know you are doing it, and so long as you move that fellow fast enough to keep him busy learning. Otherwise he will be a misfit.

*Q.* With maximum results from a scientific personnel program, how many individuals can one full time personnel director handle at the outside?

*A.* That depends upon how much assistance he has. We have institutions with as low as 160 that have a personnel officer whose functions include all three of the activities I have outlined.

When you get up into one of the larger organizations, the personnel man becomes less of a technician and more of an administrator. It depends on how much personnel work you want to do. The lower limit is probably somewhere around 150 where you have a personnel man for that specific job. In that case you want someone who can carry on selection and upgrading and can head the report system.

### *Tests in Armed Services*

*Q.* Would you care to say anything about the sufficiency of the test being given now by the Government in the armed services, and what results they may develop in service after the war, among those people.

*A.* I can speak generally on that, but I cannot speak specifically for the reason I have seen some of those tests and they are of a confidential nature. There is considerable fine work being done in test construction and in the measurement of skills and aptitude and special propensities in the army at the present time, and I think that is going to be of great service to industry after the war is over. It hasn't been completely coordinated yet. I don't think anything we have done so far in war personnel has been completely coordinated, but a good job has been started, a very commendable job, and I think it is going to mean a lot to the business man after the war is over.



*False Upgrading to Mask Wage Increase*

*Q.* I would like to ask you to bring out this upgrading. I was wondering in all this personnel work, what the abuse of upgrading is going to result in under present conditions. When you get some clerk or young executive, you can't increase his wages under the present situation, so you turn his desk around and upgrade him.

*A.* I don't mean that every man who comes in is going to take over the Department some day. I believe upgrading is a process that in most instances is calculated to make a man happy in his job. There are a lot of workers who don't want responsibility—they won't take it if you give it to them; but they do want to have the satisfaction of doing the job they are in in a satisfactory manner and doing it in such a way as to secure the approval of you, and of their fellow workers. I believe that is the chief objective of upgrading rather than to transform working material into managerial material. Have I answered your question?

*Q.* I am just thinking about the abuse. For instance, everybody wants to get all he can whether in the office or factory, the rank and file. In order to satisfy them, the only way you can increase them and get away with it, without getting approval, is to upgrade them. I was wondering what the reactions are going to be later on.

*A.* Of course you are inferring something to upgrading I didn't mean to be inferred, that's the raising of salaries. I haven't meant to touch upon that tonight at all, and haven't meant to consider upgrading as a process of giving a man more money. I mean upgrade him in ability to perform.

*Q.* What is the relationship between intelligence and skill?

*Intelligence and Skill*

*A.* The actual relationship in a great many skills is very low. You can say generally that a very intelligent man is likely to have more skills and as a rule is likely to be more dexterous than an unintelligent man as a rule. There are, however, some exceptions. Some very unintelligent men are exceedingly skillful and exceedingly dexterous. On the whole there is a slight positive relationship between skill and intelligence, but it is not a very significant relationship, not sufficient that an intelligence test will serve as a skill test by any means.

*Q.* It is a question between knowledge and application then?

*A.* Now you are getting into temperament. Generally, one of the attributes of a sound and well adjusted temperament is that a man is able to put his skills and intelligence to work to advantage; whereas an individual badly adjusted as to temperament does not apply his skill and intelligence well.

*Q.* In connection with selection, if you find a person is poorly adjusted temperamentally, would you take him on with the prospect of overcoming that, and how?

*A.* There are certain conditions where temperamental maladjustments are so serious that it is very little use to try to do anything with them in the ordinary business situation. Those are the individuals we call the "impossibles." They are



more expensive to work with than you have a right to ask your company to support. On the other hand, there are a large number of people who have quirks of temperament or handicaps of temperament who can be vastly improved and can be turned from unsatisfactory to satisfactory workers by means of skilled counselling, especially if your company is able to afford a good clinical psychologist or good industrial psychiatrist to help you.

### *Selection for Promotion*

*Q.* This may be a little off the subject. I wonder if the speaker would want to comment on selection for promotion of people to supervisors, or positions up to a dignified level of office managers say, and on that level?

*A.* I think that's the exceedingly important thing: supervisors and foremen are the most important executives in any company. The selection of those key men is a combination of the selection process I have outlined and upgrading and efficiency reporting. I believe in retesting for such promotions, and testing more extensively than I have outlined. I would include not only the fields I mentioned, but also the field of interest, because a supervisor or foreman ought to be interested in the work he is doing. His interests shouldn't be too diversified, or too divergent from the field of his work. The procedures should be organized very carefully so that committees can consider the candidates. The personnel manager or personnel technician should be merely an advisor to such committees.

*Q.* Do you still use temperament testing?

*A.* Oh, yes. Temperament testing is practically a measure of the mental health of the individual, and that's truly just as important as his physical health. None of us in this room has perfect physical health, none of us perfect mental health, but most of us are able to do our daily work because our physical health is adequate and because our mental health is adequate. It is only the individual who is sick in bed or seriously handicapped in temperament who is not able to function and carry on.

*Q.* Is it essential not to let the person who is tested know the results of the test; particularly if he is a borderline or serious case?

*A.* Ordinarily it causes a good deal of difficulty to attempt to interpret tests to an individual. The reason is that he is very likely to misinterpret what you say. I would not report test results to applicants and employees. I would use the tests as a means of focusing the attention of superiors on good traits and bad traits, and as these traits come to light, deal with them immediately. In that way you are able to forestall the building up of problems.

### *What Do You Tell the Worker?*

*Q.* What do you tell the individual? He is naturally interested in what happens.

*A.* Suppose you give the test, and you find he is a paranoid, and send him on to his foreman with this observation, "Now, Bill, here is a fellow that is a good worker, but he is likely to get stubborn, get his back up, and get mad and want to

light sometimes. The thing to do is to reason him out of it, watching for early signs before he gets too bad." If the foreman does that, you see, unfavorable action is forestalled. That is the best way to handle the matter, to deal with the action and not with the test.

*Q.* What do you tell the man himself?

*A.* I wouldn't tell him anything at the time of the test. I would let him go on, and when the unfavorable thing came up, take the unfavorable thing up with him at that time. Do you see what I mean?

*Q.* And if he asks you, you tell him nothing? say, "Sorry I can't tell you"?

*A.* No, say, "There are so many factors in the test results that we will have to take them up as they come up; anything that affects your standing will be discussed with you." I believe a policy of frankness with employees is very sound. Don't save up things. If an executive saves up things, he is bound to get emotional about them himself after a while. He may get angry enough about them to fire the man. If he talks them out as they come up, he may do the man some good and save himself emotional strain. That's equally true with men who do good work. If a man does a good piece of work, I think we should never be afraid to pat him on the back and say, "That's a fine job you did."

*Q.* I would like to ask how long a time does it take to give tests for the selection of employees?

*A.* Usually about an hour and a half, and there are ways of streamlining the procedure. For instance, one large airplane plant carried a test load of 2000 a day for 6 weeks. On one of those days they had 5000. The procedure was streamlined and organized so that the worker only had to wait ten or fifteen minutes to find out what disposition was made of his case.

I don't believe you want me to take the time to go into the means of streamlining the program, but it can be done. Incidentally, testing is much speedier than interviewing, for the reason that when tests are used the interview can be cut down to a very short period and as many can be tested at once as you can make room for. I have seen a thousand tested at one time. That, of course, saves technical time. It is no more expensive to carry on a testing program than an interviewing program if the interviewing program is at all adequate; in fact, it is cheaper to carry on a testing program.

*Q.* Is there a relative advantage in your combination of testing and interviewing; is there a greater advantage in the interviewer taking the result of the test and giving an opinion, or giving an opinion from his interview without the knowledge of the result of the test?

*A.* I think the two should be combined. The information which is gathered in a selection process, constitutes a complete personality study. This should be interpreted by a skilled technician. The final interviewer should have these interpretations before him to be used to assign the man to the proper place.

*From a report of a meeting of the Chicago Office Management Association.*

For Economic as Well as Humanitarian Reasons  
the Current Manpower Shortage Underscores the  
Necessity of Developing Constructive Methods to  
be Used by Personnel Men in Dealing with the  
Problem of Debt-Ridden Employees.

# Credit Counseling *for* Employees

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**W**AR-TIME manpower shortages in industry and government are accentuating the personnel administration axiom that a person who is distracted by financial worries is an economic liability to his employer. Not only do debt-ridden employees usually have a subverted morale which makes them incapable of optimum production, precision and service, but their problems often increase the administrative difficulties and expenses of their employers. An administrator who must assign a considerable staff to receiving, recording and making payments on large numbers of garnishments and wage assignments is himself distracted from his main objective of operating an efficient and economical organization.

## *Debt-Ridden Employees*

**F**OR economic as well as humanitarian reasons, the current manpower shortage underscores the necessity of developing more constructive methods to be utilized by personnel administrators in dealing with the problem of the debt-ridden employee. The practice now followed by some industrial establishments of dismissing indebted employees increases the labor turnover and results in greater waste and inefficiency. More socially minded employers have attempted to deal with the problem by creating welfare funds from which deserving employees might borrow, or by assisting their employees in establishing credit unions. None of these solutions has been completely satisfactory from the viewpoint of either the employee or employer.

To meet this critical problem, New York City's municipal administration, one of the country's largest employers, has entered into a comparatively new field of public personnel relations—*credit counseling*. For many reasons, employee indebtedness has long been a cause of considerable concern in New York City. While the



exact indebtedness of New York's approximately 190,000 city employees is not known, it is estimated to be at least sixty million dollars.

A recent survey by the city Department of Investigation revealed that in 1942 the New York City Employees' Retirement System and the Municipal Credit Union alone made 37,000 loans amounting to almost ten million dollars. It was found that there has been a striking increase in the volume of loans made by these two agencies to city employees since 1930. Retirement system loans have increased in 12 years from 5,410 loans amounting to \$1,092,330 to 25,153 loans amounting to \$3,668,700. Municipal Credit Union loans have increased in number from 7,069 to 12,024, and in amount from \$1,889,590 to \$6,045,469.

### *Consumer Credit Not Undesirable*

**B**ECAUSE they possess stable employment and steady wages, consumer credit is more readily available for New York's municipal employees than for most other large groups of employees. Generally its use is not undesirable. In a cash economy system the use of consumer credit is almost inevitable by those who depend entirely on a money wage. A legislative commission estimated in 1941 that one out of every two families in New York State uses the facilities of cash lending or instalment selling agencies.

Most city employees are honest people who want to pay their bills. But a small minority have been either too optimistic about their ability to pay for goods that can be acquired with little cash or have had their plans upset by uncontrollable circumstances.

### *Setting Up Credit Counseling Service*

**T**HE fate of many of the employees who have been unfortunate in their use of credit is written in the records of the city garnishment bureau. In 1942 a total of 11,445 garnishment executions and 1,900 wage assignments was filed, a rate of 70 wage executions per thousand employees. Along with 35,000 additional employees, transit unification brought to the city 2,000 additional garnishments. A rough cost analysis made several years ago indicated that the cost to the city is more than \$3 per execution filed.

New York City's experiment in credit counseling is expected to alleviate the very real problems facing both the city administration and its employees. Its establishment was announced in a check-sized leaflet describing its objectives and methods which was distributed to all city employees together with their pay checks. In this leaflet Mayor LaGuardia advised: "Don't borrow unless you absolutely must! If you must borrow, first talk it over with your family and the city credit counselors."

Most of the planning and research for the credit counseling service was done by the Department of Investigation whose head, Commissioner William B. Herlands,



is a member of the sponsors' committee. The other members are Civil Service Commission President Harry W. Marsh and Comptroller Joseph D. McGoldrick.

### *Large Debt of Few Employees*

THE preliminary research undertaken before establishing credit counseling service included a survey of the consumer credit problems of city employees, the uses they make of credit and the incidence of their debt. The volume of employee debt was found to be very large, although the number of employees involved is probably relatively small.

In general, city employees have required typical consumer credit: credit used by a family or individual for living purposes. Purchase of household furniture and equipment, purchase of clothing and payment of medical expenses are the most frequent reasons cited by city employees to explain their need for credit.

Credit problems are often legal and social, as well as economic, in character. Many of them are insoluble and no amount of advice will assist employees in extricating themselves from their financial difficulties. But, more often, they can help themselves, but either do not know how or need some outside stimulus and encouragement.

### *Preventive and Remedial Advice*

THE city authorities concerned with the problem are convinced that it is necessary and desirable to advise city employees how to manage their financial affairs, how to consolidate their debts and generally how to adjust their budgets in order to overcome immediate pressures. Every effort should be made to rehabilitate the debt-ridden city employee and his family in order to restore his morale and make him a more effective contributor to his city department and to the community. Equally important, an efficient advisory service should do preventive educational work as well as remedial, so that all city employees might know how to avoid getting into difficulties.

After determining the need for a credit counseling service, the Department of Investigation made a survey of the various sources of consumer credit within the community and the rates charged by each. A correct evaluation of advertised credit rates is indispensable background for credit counselors. The true cost of credit is often not what it appears to be. The borrower must wend his way through a maze of interest rates and charges which he is seldom equipped to compare.

In view of the wide variety of methods of stating interest, discount, service charges, delinquency, fines, insurance premiums, etc., the department computed and evaluated on a common basis the rate of all the credit charges imposed by each agency. An analysis of state and federal legal provisions relating to consumer credit, as it might affect city employee-borrowers, was also made.

*Six Part Time Counselors*

IT WAS unnecessary to go outside the ranks of the city service for credit counselors. In order not to interfere too much with the counselors' regular duties in their own departments, a staff of six was selected so that each counselor would devote no more than one to three days a week to this work. The service is relatively inexpensive since the staff is the equivalent of two persons working full time. Persons experienced in interviewing techniques and qualified to assist city employees in dealing with their credit problems were found on the staffs of the Department of Welfare, the Municipal Civil Service Commission, the Law Department and the Department of Investigation. A desirable variety of skills and experiences was thus obtained. The counselors selected are objective as well as emphatic, and recognize the dangers of appearing paternalistic.

The counselors are located in a central office where employees may be interviewed privately and without embarrassment. In the leaflet distributed to city employees it was pointed out that the counselors would discuss an employee's personal credit problems with him *privately, confidentially and off the record*. It was stressed that no reports would be made to the employee's department for its personnel files.

*Employee Remains Responsible for Own Affairs*

CITY employees may visit the credit counselors three days a week between the hours of 12 noon and 3 P.M. Visits are made by appointment only. Those employees who wish to consult the credit counselors during their lunch hours or, in special cases, after official working hours may themselves telephone for an appointment. Other employees who find this inconvenient and wish to consult the credit counselors during official working hours (but between 12 noon and 3 P.M. only) are permitted to request their appropriate supervisors for official leave for this purpose. In such cases the supervisors telephone to make the appointments.

It has been made clear to city employees that while the counselors give free advice about credit and instalment purchasing problems, the counselors' main function is to try to *help the city employee himself work out a solution*. The employee remains responsible for his own affairs. Counseling involves a mutual attempt to solve a problem.

Employees have been cautioned that the counselors will not help an employee take advantage of creditors. It has also been necessary to state that the counselors do not make loans.

Advice given varies, of course, according to the nature of a particular case. The interview should be designed to lead the employee himself to recognize and answer these questions: Is the reason for wanting this credit sound? When and how can the debt be repaid? Where can the needed credit be secured most cheaply?

*Sound Family Financial Planning*

THE credit counselors' most important objective is to encourage and develop sound family financial planning. The sensible use of credit is only part of a family's financial problem. In all cases, but particularly where the employee is not already deeply involved in debt, the counselors offer to help prepare a family budget plan which, if followed, may eliminate or reduce the need for borrowing. Effective budgeting is difficult since there are few who will willingly accept even a temporary reduction in their standard of living, but it is basic to any long-range solution.

If consultation reveals that it is really necessary for the employee to borrow, the counselors advise which lending agencies charge the lowest rates and offer the best credit terms. They attempt to bring to light the hidden costs of consumer credit. Indirectly, they utilize each interview as an opportunity for tactful education in shopping intelligently with respect to credit rates and terms as well as in budgeting techniques. Informative leaflets to be distributed to city departments have also been planned.

*Bargaining Power of Counselors*

WHERE an employee is being pressed for payment on many outstanding debts, the counselors assist him, within the current limitations of Regulation "W" of the Federal Reserve Board, in consolidating and refinancing these debts into one loan from a commercial lending agency.

In some cases, it is found, either more borrowing will not relieve the employee of his difficulties or his credit is completely exhausted. Under such circumstances, expensive collection pressure results chiefly in creating new family stress without benefiting the creditor greatly. Adjustment is often the only solution. Here, the counselors are particularly helpful because they have a greater bargaining power with creditors than an individual employee. The counselors assist in making adjustments with creditors or in working out plans to pay in instalments over a longer period of time. Their technique is to call the lending agency and say, "City employee X has just told us this story. We think he is entitled to some help, and we've told you all we know. What do you know about his case, and what can we work out together in the light of his present situation and future possibilities?"

*Loan Sharks*

SOME interviews reveal that an employee has borrowed from a loan shark. In these cases the counselors advise the employee how to obtain legal relief, and they cooperate with the district attorney in investigation and prosecution of the loan sharks. The credit counselors can act effectively in detecting and stamping out

abuses by a small but active disreputable fringe of merchants and lenders before these abuses gain headway.

It is essential that credit counselors recognize that it is no disgrace for anyone to have to borrow money. They should, however, educate employees to understand that borrowing is dangerously unwise unless it is absolutely necessary, and that under such circumstances one should borrow no more than is necessary and than can be repaid in the manner promised. The need for honorable discharge of credit obligations when due must never be forgotten. Similarly, employees should regard the instalment method as a convenient way of paying for goods, not as a reason for buying more goods.

Freedom from financial worry is unlikely to exist for all members of a large group. To the extent that a credit counseling program can relieve the mental and emotional stresses and strains that accompany an employee's debt burdens, the employee is more likely to be productive, loyal and satisfied. Expert credit counseling, like other kinds of employee counseling, inevitably tends to improve morale and conserve manpower. The credit counselor is thus a valuable aid to the personnel administrator.



# Employee Handbook

Of The Pennsylvania Company,  
Philadelphia, Pa.

(EDITOR'S NOTE.—*One of the best aids in ensuring employee job satisfaction—leading to an avoidance of quick quitting, absenteeism, slowdown, etc.—is a good employee handbook. It should not only be given the employee when he is hired, but might be given him before actual hiring, and may even be used in recruiting. It also guides company executives and supervisors in their dealing with employees.*

*The handbook reproduced below (and in the next issue of the PERSONNEL JOURNAL) is a good model for any medium sized company to follow.*

## FOREWORD FROM OUR PRESIDENT

I AM glad to welcome you into our Bank organization. It is our hope that you will enjoy working with us. The following pages tell you many of the things you will want to know about our way of living and working, and about the Bank itself.

Let me assure you that your Officers and Directors are interested in your welfare. The Bank's success, its progress, depends on the intelligent and loyal cooperation of its employees. This cooperation can be expected only if there is mutual understanding and trust.

You will have many privileges as an employee of The Pennsylvania Company, with security in your job and a chance for advancement. In turn, we ask you to do your day's work thoughtfully and well, to save time and material, to learn all you can about the Bank and the services it renders to the public.

## WHAT YOU WANT TO KNOW—OUTLINE

### I. NOW YOU HAVE THE JOB

*Why you were chosen rather than another applicant*

What we look for

How we judge your qualifications

Why you were hired

In the future

*A reminder—we need these things from you*

A Social Security number

A birth certificate

Certificate of employment

A photograph

*The hours we work*

The Pennsylvania Women's Work Law  
The Federal Wage and Hour Law  
In the Bank. . . .  
Timekeeping

*Your pay*

When and how you will be paid  
If you work overtime. . . .  
Pistol Marksmanship bonus  
Deductions from your pay  
Special compensation  
How we determine your rate of pay  
Your chances for a salary increase  
Your chances for transfer and promotion

II. THESE ADVANTAGES GO WITH THE JOB

*The Lunch Room*

Cafeteria in Packard Building  
Employees in branches and on night shifts  
Lunch allowance for overtime work  
Recreation room for noon hour

*Group life insurance*

*Blue Cross (hospitalization) Plan*

Pennsylvania Company has a group membership  
The Blue Cross Plan pays your hospital bills  
Application may be made quarterly

*Vacations and holidays*

Vacations  
Holidays

*Nurse and Dispensary*

Our nurse. . . .  
If you feel ill. . . .

*Eye examinations*

*Payment of salary during illness*

*Financial assistance*

Employee loan fund  
Personal loan—Time Sales  
Protect yourself by using Bank facilities  
Ask advice

*Old Age Pensions*

Bank has no formal plan  
Federal Old Age Benefits

*Leaves of Absence*

For military duty  
Home Guard  
Jury duty  
For other purposes

*The Officer's Council*

*Workmen's Compensation and Public*

*Liability Insurance*

*Our education program*

American Institute of Banking  
Other opportunities

*The Penco Association*

Aims

Membership

Activities

Committees

*The Penco Packet*

III. WHAT THE BANK EXPECTS OF YOU

*Represent the Bank well*

Service to the public

If you deal with customers

If you do not deal with customers

Be informed

*Do your job as well as you can*

Mechanical day-to-day performance  
is not enough

Be prompt

Work steadily

Be loyal

Get along with fellow employees

Be neat and accurate in your work

Cultivate a pleasant disposition and a  
neat appearance

Make suggestions

*Proper use of the telephone*

Part of public relations

Suggestions for good telephone manners

How to use the Bank's telephone system

Avoid personal telephone calls

*Prevent waste*

*Observe Bank rules for protection of valuables*

Bank work is highly confidential

Cash and securities

Registered mail

Care of valuable papers and records

Guards and messengers

After Bank hours

*Take air raid precautions*

Penco Defense

First Aid classes

*Keep Bank informed of your status*

IV. WHAT IF YOU LEAVE

*If you plan to resign*

Give reasonable notice

Compensation due you if you resign

*If you are released*

If you are asked to leave

Dismissals given careful consideration

*Group insurance*

*Unemployment compensation*

*Other matters*

V. ABOUT THE BANK

*Some interesting facts about the Bank*

*The Organization of the Bank*

The Bank has eight main departments

The "public service" departments

The "interdepartmental service" departments

*Bank services available to employees*

VI. DIRECTORY OF DEPARTMENTS AND BRANCHES BY LOCATION

## I. NOW YOU HAVE THE JOB

WHY YOU WERE CHOSEN rather than another applicant:

*What we look for.* . . . In judging applicants for a job, the more important factors we consider are: Appearance, Attitude, Personality, Health, Education and Experience, and Aptitude for the Work. The type of job to be filled determines the amount or degree we need of each of these elements. For instance, in a beginner's job, no experience at all may be necessary, but we might require a high school education.

*How we judge your qualifications.* . . . The first four factors in the list above we try to judge in our interviews with you. The amount of education and experience you have had is easily seen from your own report on your application blank. The last, aptitude for the work, is judged from the results of the various "tests" we ask you to take. Your results are compared with those of hundreds of other persons who have done the job successfully and who have taken the tests. Different jobs require different scores. We are continually making studies to check up on the accuracy of the tests, and you may be asked six months or a year from now to take them again.

*Why you were hired.* . . . When we have a complete picture of you as an applicant, we judge whether you meet our established standards, and whether you are the best person for the job of those we have tried out. We then recommend you to the supervisor or department head who has asked for a new employee, and if he agrees with our judgment you are hired.

*In the future.* . . . It is now up to you to bear out our judgment. From time to time we will ask your supervisor to report on your progress, and you should feel free to talk with him or her about your work.

A REMINDER—we need these things from you:

*A Social Security number.* . . . If you do not have a number or have had a card and lost it, get the proper application form in the Personnel Department. If you have a number, be sure to give it to someone in Personnel.

*A birth certificate.* . . . We ask that you show us your birth certificate so that we may enter certain information from it on our records. If you do not have one, apply for a copy through the Bureau of Vital Statistics in the city in which you were born.



If your certificate is not available, present a baptismal certificate or other record showing place and date of birth.

*Certificate of employment.* . . . If you are under 18 years of age, you will need a permit to work from the Board of Education. The Personnel Department has the necessary forms to be completed.

*A photograph.* . . . We will arrange a time and place to have your picture taken.

**THE HOURS WE WORK:** (The hours we work are governed to some extent by law)

*The Pennsylvania Women's Work Law.* . . . Women employees of banks in Pennsylvania may not work more than five hours without a 30-minute rest period, more than 10 hours in a day, nor more than 54 hours in a week. In each 13-week period, the total hours must not be more than 520 (an average of 40 a week). Certain employees are exempt, such as secretaries and executives. We ask your cooperation in complying with this law.

*The Federal Wage & Hour Law.* . . . This law does not limit the number of hours employees may work, but requires that overtime be paid for all hours over 40 worked in any one week. Certain administrative and executive employees are exempt and do not receive overtime pay.

*In the Bank.* . . . Our hours average from 38 to 40 in a week, five and one-half days a week, with few exceptions. Starting and stopping hours may vary from department to department, so your supervisor will tell you what hours to observe, and also your lunch time. The volume of work in a bank varies from day to day and from season to season, so that you may be asked from time to time to work extra hours. Of course, if your weekly hours run over 40 you will receive overtime pay.

*Timekeeping.* . . . Your supervisor will ask you to sign a daily time sheet as you come in in the morning, go out for lunch and return, and leave for the day. This must be an accurate record of your time, since it is the basis on which your weekly hours are calculated, and on which we show that we comply with the laws.

## YOUR PAY:

*When and how you will be paid.* . . . You will be paid twice a month by check, with half your monthly salary paid each payday. Paydays fall on the 14th and 30th (29th in a 30-day month), unless these days are a Friday, Saturday, or Sunday, when pay-day is on the previous Thursday. Your pay envelope will be delivered to you at your desk. If you have any questions about the amount of pay you receive, ask your supervisor or call the Personnel Department where the checks are prepared.

*If you work overtime.* . . . Your supervisor may ask you to work extra hours which make your weekly total more than 40. If so, you will be paid for the hours in excess of 40 at time and one-half on your semi-monthly pay check. Overtime is paid in the pay period following the one in which it is earned. Your overtime rate is determined by multiplying your monthly salary by 12 to find the annual rate, divid-

ing that by 52 to find the weekly rate, and dividing that by 40 hours to find your hourly rate. Your overtime rate is one and one-half times your hourly rate. (A simple way to find your overtime rate is to multiply your monthly salary by .00866.)

Work done on *Sundays and holidays* at your supervisor's request (if not part of your regularly assigned shift, as for Guards, Messengers, Cleaners, Porters or Elevator Operators) will be paid for at time and one-half, whether your total weekly hours exceed 40 or not. This does not apply to employees who are exempt from the Federal Wage & Hour Law.

You will be allowed 75 cents for *dinner expense* if you are asked to work in the evening until 8 P.M. (with an hour out for dinner) or 7 P.M. if you work straight through. This allowance is paid in cash. Those on twilight and midnight shifts will be paid dinner money according to overtime limits established in the departments concerned.

*Pistol marksmanship bonus.* . . . Guards may qualify once each year on our pistol range for an extra monthly pay allowance, according to degree of skill attained.

*Deductions from your pay.* . . . Deductions from your pay are made automatically for Social Security (Federal Old-Age Benefit tax) one per cent, and for City of Philadelphia Income tax, one per cent. Beginning January 1, 1943, the Federal Government requires your employer to withhold 5 per cent of your pay (less exemption of \$624. annually or \$26. semi-monthly) for the so-called "Victory" income tax. Part of this deduction will be refunded upon your application to the proper agency at the end of the war. At your request, we will also make deductions from your pay for the Hospital Plan, the various loan plans, United War Chest campaign, War Bond purchases, and income tax savings. We will, of course, also have to deduct any further withholding taxes which Congress may later impose.

*Special compensation.* . . . The Board of Directors has approved a special wage compensation apart from your regular pay. This compensation is payable quarterly on March 10, June 10, September 10 and December 10, at the rate of 10 per cent on the first \$1,500. of annual salary and 5 per cent on the next \$3,500. These percentages may be changed or eliminated at the discretion of the Board, subject to the approval of the War Labor Board. To illustrate, if your salary is \$100. a month (\$1,200. a year), you will receive \$120. special compensation for the year, or \$30. each quarter on the above dates, less the wage taxes previously mentioned. No special compensation is paid on salaries over \$5,000.

*How we determine your rate of pay.* . . . Nearly all jobs in the Bank have been studied, compared and graded. They have been assigned minimum and maximum salary limits. These job values are subject to revision and re-rating as duties and responsibilities change. Our salary levels are compared also from time to time with those in other similar businesses as a further check. By this plan, we try to assure you equitable pay for the work you do.

*Your chances for a salary increase.* . . . Your salary is reviewed annually on the anniversary of your employment by your supervisor and department head. It may be reviewed oftener, especially if your duties change or you are promoted. Increases are given to employees whose work is outstanding or better than satisfactory, within their minimum and maximum salary limits. In instances of promotion, increases are given in accordance with the established value of the new job. The "ceilings" on wages recently ordered by Government direction may affect our salary review plan to some extent, but no restriction has been placed on increases for merit within your salary range, nor on increases for promotions.

*Your chances for transfer and promotion.* . . . It is the Bank's policy to promote qualified employees whenever openings occur. The few exceptions are jobs requiring technical knowledge or a particular skill which no present employee has. It is for this reason that we try to find out as much about you as we can during and after the time you are employed, and encourage you to increase your knowledge of the Bank. If you are interested in getting ahead, discuss the opportunities with your department head or the Personnel Department, and find out what you can do to prepare yourself for a better job.

## II. THESE ADVANTAGES GO WITH THE JOB

### YOUR LUNCH IS PROVIDED:

*Cafeteria in Packard Building.* . . . The Bank operates a cafeteria for employees on the 24th floor of the Packard Building, at which you may get your lunch free of charge. You will be able to eat a well-prepared, nutritious lunch in pleasant surroundings. As a rule, we ask you not to bring guests to the cafeteria. If you find on rare occasions that you would like to bring a guest, apply for written permission in the Personnel Department.

*Employees in branches and on night shifts.* . . . An allowance included with your regular pay is made if you work in a branch or on a night shift and cannot conveniently lunch in the cafeteria. Those who customarily lunch in the cafeteria, but go to a branch for relief work, will be paid 50 cents in cash for lunch expense for each day of such work.

*Lunch allowance for overtime work.* . . . You will be allowed 50 cents in cash for lunch expense if you work until 2 P.M. on Saturday with no time out for lunch, or until 3 P. M., with time out for lunch.

*Recreation room for noon hour.* . . . A recreation room on the 25th floor of the Packard Building (stairway in cafeteria) provides a place to rest, play games, read, or talk during the noon hour. This room is also used for employee meetings at other hours. Room 321 in the Commercial Trust Building and a lounge in the basement of the Packard Building are also available to women only for rest and recreation.



## GROUP LIFE INSURANCE:

All regular employees of the Bank are insured under a group life insurance policy for the amount of their yearly salaries. The amount of insurance increases as salary increases. The Bank pays the entire premium on this insurance, and no physical examination is required. You will be asked to name a beneficiary, to whom your insurance will be paid in the event of your death. This beneficiary can be changed by making the proper application in the Personnel Department. If you leave the Bank, the insurance may be converted to an individual policy.

## BLUE CROSS (hospitalization) PLAN:

*The Pennsylvania Company has a group membership in the Associated Hospital Service of Philadelphia, a community, non-profit service.* You may become a new subscriber through our group, or transfer your present membership to our group if you already belong.

*The Blue Cross Plan pays your hospital bills* and those of your family included in your membership. For 75 cents a month for a single member, \$1.50 for husband and wife (\$2.00 with maternity benefits), or \$2.00 for a family, you may have this protection. A ward plan at lower monthly cost is also available if your income is not more than \$1,000. annually if single, \$1,500. annually if married with no children, or \$2,000. if married with children. The monthly cost in either case can be deducted from your pay.

*Application may be made quarterly* through the Nurse or in the Personnel Department, by the first of the month preceding March 15, June 15, September 15 and December 15. Personnel Department has pamphlets describing the benefits of the Plan, if you are interested. The Company hopes that all employees will voluntarily join the Plan.

## VACATIONS and HOLIDAYS:

*Vacations.* All employees of the Bank except those on temporary relief jobs are entitled to annual vacations. Those employees of more than one year's service receive two weeks' vacation with pay. Those here less than a year will receive one day's vacation for each full month of service after the employment date up to May 31 of the current year. For instance, if you were employed November 15 last year, you would be entitled to six days' vacation this year.

*Holidays.* . . . The Bank observes the following regular legal holidays:

New Year's Day	Labor Day
Washington's Birthday	Columbus Day
Lincoln's Birthday	Election Day (November)
Good Friday	Armistice Day
Memorial Day	Thanksgiving Day
Flag Day	Christmas
Independence Day	



**NURSE and DISPENSARY:**

*Our nurse*, Miss Helen Glenn, is on duty in Room 321, Commercial Trust Building (take elevator on 15th Street nearest Market Street) every day from 8:30 A. M. to 4:30 P. M. She presides over a well-equipped dispensary, which includes remedies for almost every emergency. Miss Glenn also makes afternoon home or hospital visits to ill employees and gives her help whenever necessary.

*If you feel ill* or have an accident while at work, be sure to ask permission to go to the dispensary for treatment.

**EYE EXAMINATIONS:**

*An arrangement has been made* so that employees whose weekly salary is less than \$25.00 may have their eyes examined by a competent oculist for a \$5.00 fee, and also have glasses made at a discount. If you are interested, call Miss Glenn or Keystone 372, and she will make an appointment for you.

**PAYMENT OF SALARY DURING ILLNESS:**

*Employees absent for illness* continue to receive full pay for a period of time within limits set by length of service. The nurse pays occasional visits during illness to keep us advised. If you remain at home on account of illness, call your department before 10 A. M. to let your supervisor know that you will not be in, and keep him informed of your progress.

**FINANCIAL ASSISTANCE:**

*Employee Loan Fund.* . . . If emergencies arise such as family illness or other urgent needs, application for a loan from the Employee Loan Fund may be made through your department head. You will be asked to repay the loan (which is without interest) by payroll deduction.

*Personal Loan—Time Sales Division.* . . . For such needs as financing of installment purchases, school or college fees, house repairs, and other similar expenses, you may apply for a loan through the Time Sales Personal Loan Department, discounted at 4 per cent, which you may repay by payroll deduction. Your department head must approve your application.

*Protect yourself by using Bank facilities.* . . . The Bank expects that you will make use of the facilities which it has provided in your interest and for your protection. It does not permit employees to make unsecured loans from finance or loan companies or other banks without written consent of their department heads. Please do not become party to the note of a friend or relative unless you are able to make the obligation good promptly in the event of default by the maker. You may find yourself in an embarrassing situation if you, through necessity or lack of foresight incur obligations beyond your salary level. If *your credit* is impaired, your employer is also open to criticism.

*Ask advice.* . . . Employees who would like advice or assistance in solving their

financial or other personal problems should feel free to discuss them with their department head or with the Personnel Officer. Don't let pride stand in the way of frank discussion of your problems.

#### OLD AGE PENSIONS:

*Bank has no formal plan.* . . . The Bank has no plan at present by which employees and employer contribute toward old age insurance. When an employee of long service reaches retirement age, the Board of Directors may grant a monthly allowance based on years of service, salary, and home conditions, to be continued for a period of years or perhaps for the employee's lifetime.

*Federal Old Age Benefits.* . . . The deduction from your pay made by your employer under the Social Security Act is credited to your account by the Federal Government toward the time when you are eligible for benefits. Your employer matches your contributions by equal payments to the Government.

Under the Social Security Act, monthly benefits for your family or a lump sum for survivors are provided if you die before reaching age 65. If you reach age 65 and retire, you will receive a monthly benefit for the rest of your life. The amount of benefits in each instance depends on the amount of salary you have earned, on the length of time you have contributed, and on the age and number of your dependents.

If you are interested in knowing the probable amount of your benefits, the Personnel Department has copies of an easy-to-understand pamphlet called, "What YOU Get from Social Security".

#### LEAVES OF ABSENCE:

*For Military duty.* . . . Employees hired after December 8, 1941, who enter military or naval service, will receive full pay for the first month of such service. No pay will be given for vacation not taken. Group insurance will be canceled thirty days after they leave the Bank's employ. (Men in military service are eligible for government life insurance at low cost.) Employees hired before December 8, 1941 who are drafted or plan to enter the armed forces should consult the Personnel Department as to policies affecting them.

*Home Guard.* . . . Male employees who are members of the Pennsylvania Reserve Defense Corps will receive full pay to one month after being called for training or active duty. After this period, they will be considered on leave of absence without pay until their return. Group insurance will be canceled after thirty days if the employees concerned are absent for active home guard service.

*Jury duty.* . . . Jury duty is a public obligation of all citizens. If you are called, you will be allowed time off, without pay, to serve. However, if your jury pay is less than your regular pay for the period you are absent, the Bank will pay you the difference. Be sure to discuss any summons to duty you may receive with your department head, and also report to him the amount of jury pay you have received when your term is completed.

*For other purposes.* . . . Leaves of absence for extended vacations, health, or other purposes, with or without pay, will be granted only on recommendation of your department head, with approval of the Personnel Officer.

#### THE OFFICERS' COUNCIL:

Decisions on matters concerning you as an employee of the Bank are the result of careful consideration by a committee of department heads, known as Officers' Council. This group was named by our President, Mr. Kurtz, to meet and discuss employee problems, then to recommend a course of action to him, or to formulate a policy for his signature.

Personnel policies, salary problems, dismissals, pensions, and many other matters affecting employees have the benefit of knowledge, wide experience, and judgment of these fair-minded men who advise our President. It is your assurance of fair and equitable treatment.

#### WORKMEN'S COMPENSATION and PUBLIC LIABILITY INSURANCE:

*Workmen's Compensation or Casualty insurance.* . . . The Bank is required by law to carry casualty insurance on its employees. In any case of physical injury while you are at work, please report details to Miss Glenn or go to her for treatment. These injuries must be reported by us to the insurance company.

*Public Liability insurance.* . . . If any person is injured while in or near bank property, however minor the injury may be, report the accident at once to the Insurance Section of the Real Estate Department.

#### OUR EDUCATION PROGRAM:

As an employee of The Pennsylvania Company, you will be encouraged to prepare yourself for advancement by adding to your store of knowledge. Opportunities are open to you for study, and in many instances the Bank pays the cost.

*American Institute of Banking.* . . . The American Institute of Banking is a school exclusively for bank employees. It offers work of three kinds: First, background courses such as Bank Organization and Elementary Trust, which give an employee a good general knowledge of banking he might not otherwise have until after years of experience; second, specialized practical courses which teach the work of specific divisions of banking, such as Loans, Trust, Real Estate, Banking and Accounting; third, self-improvement courses such as Business English, Public Speaking, Debate, Vocabulary and Spelling, etc. Many of these courses are taught by men who are themselves bankers.

*The Bank will refund the tuition* for these and other A.I.B. courses, if you complete them satisfactorily. It has been the practice to consult with all applicants for courses at the beginning of the term, so that courses will be approved which meet each applicant's present needs and will be valuable to them in the future. If you



expect refund of your tuition, your application must be approved by the Personnel Officer before you enroll.

*If you are interested* in this opportunity to learn more about banking, inquire of A.I.B. representatives around the Bank or in the Personnel Department. The enrollment period is announced each term in plenty of time to make your plans for attending classes.

*You will need to join the Philadelphia Chapter* of the A.I.B. before enrolling for courses, the dues for which are \$4.00 a year. This membership brings with it a social and educational program as well as the privilege of attending classes.

*Other opportunities.* . . . Consult members of the Personnel Department about your plans for outside study. You may find it to your interest to take advantage of other opportunities which are available to you. The Penco Association sponsors forum meetings from time to time at which you may hear bank officials discuss departmental functions or other matters of interest to you. Look for bulletin board announcements.

#### THE PENCO ASSOCIATION:

*Aims.* . . . The Penco Association was formed to foster good fellowship among employees of the Bank, and to provide a medium for group social and athletic activities. The Association also has a welfare committee, and keeps in close touch with men from the Bank serving in the armed forces.

*Membership.* . . . All employees and officers of the Bank are eligible for membership, but only employees hold office and vote. The dues are \$1.00 a year, and entitle a member to participate in many activities.

*Activities.* . . . Annual dinner and dance, card parties, picnics, bowling, golf, ping pong, and tennis for men and women; baseball and softball for men.

*Committees.* . . . All of these activities are managed by committees from the membership. Other committees such as Dues and Membership, Welfare, Publicity, War Bond Sales, etc., are active.

#### THE PENCO PACKET:

The Penco Packet is published by and for Pennsylvania Company employees. It contains personal news, announcements of changes in and new personnel policies, articles on banking subjects, news of A.I.B. and Penco Association activities, etc. The *Packet* is published six to eight times a year and every employee receives a copy. If you are interested in working on the *Packet*, discuss your interest with a member of the *Packet* staff.

*Second part will appear in the next issue of the PERSONNEL JOURNAL.*



# Book Reviews

*Book Review Editor*, MR. EVERETT VAN EVERY  
California Personnel Management Association, Berkeley, Cal.

## STABILIZING JOBS AND WAGES

By Herman Feldman. New York. Harper & Bros. 1940. 334 pp. Price \$3.50  
Reviewed by John W. Bristow

Frankly, this book has escaped our attention until very recently. Its title and subject matter is very pertinent, and it is surprising how this work has apparently been generally overlooked in many business publications. The subject of the book should have been of great importance at the time it was published nearly three years ago; it is of even greater importance today; and should become still more valuable when the reconstruction work commences after the war. The author has concerned himself with an extremely critical phase of progressive management that promises to take on greater significance in the next few years.

If you are concerned at all, as you should be, with the problem of reabsorption of the ten million-plus men in the armed forces, then you should read this book. Mr. Feldman has covered in a very thorough-going method all the factors involved in regularizing employment.

Annual wage plans are considered and diversification of operations to provide for year-round stabilized employment. There is an excellent chapter on Market Research and Distribution Planning—an activity most peace-time industries must start soon.

We all know that post-war employment problems will be among the most critical issues to be solved, and Mr. Feldman sets forth in his book the entire aspect of sustaining employment. He states that security of employment and seasonality in industry are two basic challenges to industry's survival.

As we approach the cessation of armed hostilities, the subject matter of this volume, overlooked on the shelf of new books, becomes increasingly timely and important.

## THE INDUSTRIAL RELATIONS HANDBOOK

Edited by John C. Aspley and Eugene Whitmore. Chicago. The Dartnell Corporation. 1943. 1056 pp. Price \$10  
Reviewed by Book Review Editor

Usefulness is the only justification for a handbook in any field. It should be crammed with all the required information and present figures, facts and general data in an orderly and systematic fashion. It should be an exhaustive source book for references and ideas, and be built around the best experience and thinking the

experts can muster. This is a big order and is the one reason why publishers are cautious about such an undertaking.

Not since the publication of the *Handbook of Business Administration* (1931, McGraw-Hill Book Company) have we had a good source book on personnel management and industrial relations. This volume covered the entire field of business administration as known in 1931, and did an exceptionally good job in industrial relations and what was then known about personnel management.

It is a bold venture to attempt to prepare a handbook of this kind in the field of industrial relations, especially in view of the many highly controversial aspects of labor-management matters that have developed during the past few years. But we have it now in this new *Industrial Relations Handbook* by Dartnell,—and an acceptable job it is. I cannot express any great enthusiasm for what we may expect to be original research, neutral style or scholarly treatment. In fact I suspect that much of the volume is not original at all, but is merely a collection of human interest articles that have been printed in the past few years in the authors' journal, *American Business*.

This, however, is not sufficient to mar the book's usefulness. It is not an unfair criticism, if criticism at all. Maybe this is the way a modern handbook should be prepared—built up over the years on a systematic collection of experiences and reports on actual operating practices. Trade papers should be as good a place as any to seek and test the acceptance of the business stories told.

But I do take exception to what I call the compilers' love for journalistic romance—the relating of business stories primarily because they "read well." There is a decided tendency in American business papers to glamorize—to become so wrapped up in the importance of getting across a good story that the facts may easily escape attention if not become actually distorted. For instance one small section of the book discusses how a big publicized shipbuilder on the Pacific Coast cuts down turnover. His plants are not far from my home and I have closely watched his personnel practices—or rather lack of personnel practices—and his turnover is actually high, and probably the worst in the industry. The publicity agent for the shipyards is a former business paper editor and his shipyard story-telling is an approved cost-plus item in shipbuilding.

I do not like to read such things in handbooks, especially in one of high quality as this study appears to be. I do not believe there are many other such spots in the book, since much of the material appears to be drawn from industries where well developed personnel and industrial relations departments have been installed.

This book covers every phase of industrial relations. It is a compendium of experiences, opinions, ideas and general practices as reported from American leading industries. Every personnel manager should have this volume within ready reach. We do not expect to see another work of this kind for many years.

## EMPLOYEE RELATIONS IN THE PUBLIC SERVICE

By Civil Service Assembly. Chicago. Civil Service Assembly. 1943. 246 pp.

Price \$3.00

Reviewed by Book Review Editor

Whenever I finish a good book on public administration—and this a very good book in that field—I wonder if we are not slipping away fast from the fine basic standards of public service and career objectives we so well established a decade ago. This apparent indifference and dwindling away of the real and genuine interest in public personnel service that we saw so vigorously set-up some years back cannot be intelligently charged off to war influence. The decay was well along before that time. I think I see a sharp falling off of public personnel leadership and especially in professional public service organizations. I mention it here because this book does not seem to recognize any such condition.

The authors go along in the same vigorous style that we were accustomed to ten years ago. The study is literally charged with as fine a presentation of what constitutes good personnel relations in the public service as anything I have ever read. But how little of it is actually in practice! How few of our government agencies are actually carrying out the very principles of employee relations they so enthusiastically endorse! Much of the material is original, enlivened with representative experience from local, state and federal jurisdictions, and especially well written.

But for all this, our public service agencies seem to me to be poorly administered when it comes to employee relations. What municipalities have done—or rather what little they have done—to tell their plight to draft boards and the manpower area commissions are instances in point. Apparently there is a growing realization of the noticeable conflict between government agency subordinates and superiors, an increase in the use of appeals over the heads of administrators and the stagnation of employee interest and enthusiasm. It is inescapable that employee reactions must be reckoned with by department heads and chief executives at all levels of government. The underlying resentment of "permanent status" sub-chiefs toward "war service" specialists warrants expert attention if democracy within our public administrative bodies is to be maintained.

One does not have to be in the government service to recognize the widening cracks in employee relations, a situation that in the personnel sense should not be blamed wholly on a war condition, but rather on a general breakdown of the fundamentals about which this book is written. "Employee relationships are not in themselves activities, but methods of approaching the personnel responsibilities of management."

The first chapter of this report, the field of employee relations, is presented from the point of view of the personnel administrator as the aspect of management which

takes account of employee's reactions to their work situation to enhance the vigor and productiveness of their services in the enterprise. The chapters on Policies Toward Employee Organizations and the Areas of Collective Bargaining present a new concept of collective relations in the government service. The need for the last two chapters is probably the price we are paying for ignoring good employee relations in the first place. And if government personnel officers and their regional chiefs are not kept aware of their responsibilities in this field of employee relations they may someday awaken to find their prerogatives shorn by lay business agents who have taken a new field unto themselves.

If you are in public personnel work this report will certainly show you the way to construct and maintain your employee relations. It is prepared by an exceptionally well qualified staff of experts who do more than relate and exhibit—they go further and project beyond present policies and practices to more desirable and acceptable ones.



# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION  
Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 4*

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In England Union Shop Stewards, Knowing Most about Causes of Production Slow-ups, and Worried about War Production, Have Been the Chief Stimulators of Joint Production Committees Much to the Annoyance of Official Paid Labor Union Officials.

# British Production Committees

BY MARY E. MURPHY

Hunter College  
New York, N. Y.

STOLL Theatre, London, October 19, 1941.

Any American who has wandered through the narrow streets of London knows the strategic location of this ornate cinema palace flanked, on the one side, by busy Kingsway near Malvina Hoffman's classic Bush House figures and, on the other, by the famous London School of Economics.

It is doubtful, though, whether the Stoll would be associated in the American mind with an event of such importance to British management and labor that its repercussions echoed clear across the Atlantic. For the Stoll meeting was concerned with a topic which on the surface seemed almost a truism—the proposition that tripartite collaboration of Government, management and labor should be encouraged as one means of furthering the war effort.

## *Workers Ask for Production Committees*

BY FAR the most important aspect of the Stoll conference was the proposal, made by the 1,230 representatives of more than 500,000 workers, to introduce production committees in all war plants. These committees were to be composed of equal representatives of employers and workers, and to have for their objectives the initiation of democratic control in industry, extension of peacetime machinery for industrial collaboration, and encouragement of the participation of workers in the improvement of factory technique and management.

These production committees later were taken as the model by Donald Nelson when he sponsored 1,600 American committees covering 3,000,000 workers. Al-

though American experience covers less than one-tenth of all our prime contractors it is suggested that their extension might offer one solution to the plague of absenteeism which last year swept to the height of 422,700,000 man-days lost in industrial plants in this country, an increase of 72,000,000 man-days over the loss in 1941. Britain has attacked this "disease" by bringing persistent offenders in a plant not within the range of external discipline and punishment but, instead, under the control of the company's production committee. This method has proved so effective that it is important for us to examine the significance and implications of the Stoll meeting, and the events that preceded and followed it.

### *Initiated by Shop Stewards*

**P**ROBABLY few Englishmen, whether their interest lay on the management or the labor side of the council table, realized that the Stoll conference, called by an unofficial body bearing the omnibus name of the National Council of Engineering and Allied Shop Stewards, would prove to be the first public manifestation of a movement initiated by workers to align themselves with the functions and responsibilities of management. Or that, from October 1941 forward, a fresh viewpoint was to be introduced in industry through joint consultation beginning at the workshop level, continuing through the entire manufacturing process, and finally reaching the Government Departments directly concerned with war production.

This recognition of the importance of collaboration between management and labor was slow in emerging in wartime Britain. Even after Dunkirk the Government's efforts were directed largely to reinforcing national pre-war machinery for cooperation. Although the War Cabinet recognized the necessity of bringing representatives of employers and workers together in positions of consultation in public agencies, it gave little heed to tripartite or employer-labor cooperation at the plant level.

Both the Cabinet and leading trade unionists, however, had expressed their desire to canalize and utilize suggestions offered by plant delegates, as they were aware that a worker's output depends not only on his physical capacity but on that more intangible factor—his will to work. Joint consultation, then, received their blessing but its vitalizing impetus came not, as might be expected, from these parties but from the workers themselves.

### *Shop Stewards in Last War*

**B**OTH World Wars have emphasized the premise that immediate and voluntary negotiation of labor problems fosters amicable management-labor relations and leads, in the long run, to increased efficiency and output. The particular manifestation of this spirit in Britain in the last war was the emergence of the militant, anti-social shop steward. Although the steward before that time, serving as an unpaid workers' representative, had performed such routine duties as inspecting

union contribution cards and reporting shop conditions to union branches, upon the declaration of hostilities he assumed the cloak of aggressiveness.

His transformation represented one aspect of the operation of the Munitions of War Acts which at once made strikes in war plants unlawful, and rendered trade unions hesitant to endanger their position by openly encouraging disputes. Union leadership fell into the hands of unofficial shop stewards who maintained negative aims, resisting dilution of workers and introduction of women, agitating for increase of wages and making no attempt to improve productive methods. Their militant character reached its height on the Clyde where they refused to cooperate with employers and espoused revolutionary aims. The strength of the stewards was apparent throughout the entire country, and the Government and employers were forced to enter into negotiations with them and trade union leaders to recognize their activities.

Another labor development of the last war was the appointment of the Whitley Committee, under the chairmanship of the Speaker of the House of Commons, to enlarge voluntary and regular consultations between employers and workers. It proposed that joint industrial councils, composed of representatives of trade unions and employers' associations, be established in all well-organized industries to solve questions on an industry-wide basis, and production committees and district councils to consider them on a company and district basis. In less-organized fields a comprehensive extension of the Trade Boards Act was suggested to ensure collective bargaining and a legal minimum wage.

### *Whitley Plan Failed*

THE Whitley plan, offered in good faith not to replace the activities of trade unions but rather to supplement them, was doomed to failure from its inception. Although it secured the extension of national collective bargaining in additional industrial areas it failed to change the fundamental relations between employers and workers. The most important industries, such as coal mining, iron and steel, engineering, shipbuilding and cotton textiles, ignored the scheme completely and its successful performance was recorded largely in the civil service, post office and public utilities. Although 73 Whitley Councils were set up only 41 have persisted until today.

The failure of the plan may be explained by the fact that industrialists were negligent in setting up the workshop machinery recommended by the Committee and employers and unions attached insufficient importance to this aspect of the scheme. If the Whitley proposals had achieved greater success they would have provided a valuable basis for the development of consultation during the present war and for the solution of pressing problems concerned with the recruitment of vast numbers of workers, introduction of widespread dilution and upgrading, and general relaxation of trade union control.



*Death Blow to Shop Stewards*

THE Armistice dealt the death blow to shop stewards as, with the abandonment of war plants, the need for active agitation ended overnight. But wartime developments of the movement left an indelible mark on trade union organization. In the inter-war period stewards ceased to challenge orthodox union leadership and the capitalistic system and assumed, instead, the position they hold today of supplementing the general mechanism of trade unionism, supporting collaboration between management and labor, and curtailing disputes and absenteeism in the interest of a greater productive effort.

The years of peace witnessed the enactment of agreements in the engineering industry which admitted stewards to positions of responsibility in union district groups, made provision for the formation of production committees, consisting of seven representatives of management and seven of stewards, to handle questions of wages and working conditions which stewards were unable to resolve, and recognized stewards and committees as first parties in industrial conferences. The production committees established in companies not directly connected with engineering, as the Imperial Chemical Industries, Courtaulds and Dunlops, where the concern was largely with the improvement of manufacturing processes, methods and products, drew their original impetus from these agreements.

*Shop Stewards Now Backbone of Cooperation*

THE failure of the Whitley Councils to break down the bastions of large-scale industry elevated shop stewards and production committees to positions of great importance in joint consultation in all matters concerning production, wages and working conditions. And as the adaptation of productive processes to war requirements surmounted all other aspects of the economy it became more and more essential that individuals chosen as members of the two groups should be both responsible and representative, chosen for their competence as organizers of production rather than for their political propensities.

Shop stewards, in contrast to the last war, have cooperated with managements in securing the change-over from peace to war production, production committees have proved especially effective in devising methods to improve workers' morale by providing new incentives for increased output, mobilizing workers' ideas and technical knowledge to eliminate bottlenecks, and handling questions which require the collaboration of agencies outside the individual workshop.

*Production Committees and Government*

PRODUCTION committees, marking a definite departure from the traditional British tenet that workers should not hold joint responsibility with management for production policies, appeared somewhat reluctantly upon the wartime industrial scene. Introduced first in coal mines and shipyards, where the efforts were con-

centrated upon the increase of output and the provision of social services, they branched out into all vital industries. Later, under Essential Work Orders, it became a prosecutable offense for a worker to absent himself from work or to be persistently late without excuse with the requirement that committees be empowered to investigate cases of absenteeism and to report them to National Service officers.

Perhaps the most significant adoption of the principle of production committees occurred four months after the Stoll meeting, in February 1942, when the Government announced its decision to establish committees in all royal ordnance plants. The constitution, agreed upon by representatives of the Ministry of Supply, employers and trade unions, defined the scope and purpose of the committees but stressed the flexible development and adjustment of its provisions to the requirements of any particular company. Briefly it incorporated the following features: a production committee was to consist of ten members chosen to represent employers and ten workers with the superintendent of the factory presiding ex-officio at fortnightly meetings; all male and female employees were entitled to vote for representatives, who must have worked one year in the plant, with the ballot conducted by the unions; workers' representatives chosen were to serve for one year subject to the approval of the unions and were eligible for reelection; regular meetings of the committee were to be held during working hours with employee representatives paid at the rate of their normal earnings for the period of attendance.

Questions suggested for discussion at joint meetings included the proper use of machinery and labor, upkeep of fixtures, improvement of productive methods and elimination of defective work, but committees were not empowered to discuss trade questions, as for example wages, and matters already covered by agreements with unions or normally dealt with by the approved machinery of negotiation in the plant.

Some criticism arose from the fact that workers' representatives were required to satisfy a year's service in the company, a stipulation which proved so stringent that it barred many mobile skilled workers and limited the number of women. To meet this difficulty a number of factories lowered the qualifying period of employment to three months. In order to secure the opinion of young, clerical, technical and scientific workers, otherwise not represented on the committee, delegates of these groups were co-opted for all sessions devoted to a consideration of their problems.

### *Borderline Problems*

A FEW employers contended that the limitation of committee membership to trade unionists was undemocratic and might lead to inadequate representation of workers. Union leaders, in turn, have countered that union members were the responsible parties in all negotiations with employers and that they should be regarded as the logical representatives of unionized and non-unionized workers.

Other problems to arise have involved the borderline issues within the scope of collective bargaining which, rightfully, come under the control of shop stewards. In practice, in plants where stewards were strong they tended to be selected for the workers' side of the committee, and where factory relations were on a satisfactory basis it was immaterial whether a particular problem was introduced and solved by the stewards or by the committee. In companies, however, where industrial relations were strained the allocation of questions to stewards or to the committee frequently was fraught with difficulty, especially if the will to cooperate did not hold a foremost position in the minds of these individuals.

### *Expansion of Movement*

As a whole, though, production committees worked so well that, shortly after their introduction in royal ordnance plants where they covered 300,000 workers, they appeared in 3,000 engineering companies employing over 2,000,000 persons, and in the aircraft and other fields. By this development cooperation on war production was extended from the War Cabinet downward to the workshop.

The report of the Citrine Committee, published in May 1942, focussed public attention upon the advantages of these committees and recommended that they become more closely associated with Government Departments concerned with war production, and encouraged to refer matters outside the scope of domestic consultation to the regional machinery of the Ministry of Production. This proposal, already put into effect, established closer coordination between production committees within districts and welded them into an effective national pattern. The Trade Union Congress advanced this plan by initiating a scheme of district production committees, set up in 200 selected areas, composed of representatives of unions, with the function of coordinating individual committees and analyzing suggestions emanating from them.

### *Examples of Benefits*

With the extension of committees to additional industrial fields it has become possible to assess the spirit which animates them. This spirit was especially evident at the recent election of workers' representatives in the Fairey Aviation plant in Northwest England. The entire procedure was conducted along the lines of a Parliamentary contest with the factory divided into ten constituencies for each of which one representative was to be chosen. An election panel was appointed to choose candidates, and a summary of the agreement between management and labor was circulated. Forty candidates were chosen; each prepared and presented an election address which stimulated interest in their platforms and in the production problems they raised. On election day as each worker opened his pay envelope he pulled out his ballot, marked the name of his candidate and filed his vote. When



the ballots were tabulated it was discovered, to the obvious pleasure of all parties, that a 100% response had occurred.

Assessing, in what may be termed an immediate retrospect, the activities of production committees they have proved most successful in the solution of production problems and the increase of yield per man-hour and machine-hour. In plants possessing them fewer complaints have been lodged against workers in the past six months than at any comparable period during the war. A decided improvement in the attendance of workers was observed after their establishment, and uniform enthusiasm has been displayed by managements relative to the suggestions offered by the representatives of labor serving on them.

### *Organizations of Shop Stewards*

PRODUCTION committees have operated best in plants where trade unions were strongest, and where they were based on well established organizations of shop stewards. They have proved less effective in instances in which there was no trade union tradition for their background, where they were not in harmony with the shop stewards, and where the management opposed their formation and handicapped their activities.

A recent report of the Amalgamated Engineering Union, covering nearly 1,000 plants engaged in all types of war work and employing more than 900,000 workers, provides concrete proof that output increased more rapidly in companies with committees than in those without them. Rising production was reported from 29% of these companies and of their number 72.5% possessed committees which in 58.7% cases had been set up at the request of labor and 23.7% of management.

### *Financial Incentives Declining*

AS FINANCIAL incentives to increased output, reaching their apex during the early months of the war, have become relatively unimportant there has been an accompanying emphasis of the direct, non-financial interest of workers in their jobs, and the reduction of emotional and personal pressures which reduce efficiency and lead to disputes and absenteeism. This shift of emphasis has been evident in the topics discussed by committees which have moved from consideration of bonuses and piece-rates to that of rearrangement of plant layouts, expansion of training programs, rotation of employees and explanation of delays.

To be more specific: In one plant in the Midlands a nightshift inspector was reprimanded by the production committee for failing to stamp parts tested on the night-shift. In another company the committee erected an illuminated diagram of each week's production target and recorded daily progress on it, stimulating the workers' enthusiasm to such a peak that the target was exceeded every week and friendly rivalry was started between this plant and other companies making the same bomber.



In one aircraft factory a persistent bottleneck was cleared by the committee which reorganized the plant and increased the output of plane wings by 125%. In another case insufficient parts from a Coventry plant caused a hold-up in a Birmingham factory, a situation finally solved by the joint meeting of the committees of the two companies. The Chief Inspector of British Factories, discovering that participation of workers on safety committees contributed greatly to reduction of accidents, recommended that these committees consider accident prevention as one of the main objectives of their programs.

### *Factory Democratic Action*

TEAMWORK, not tension, through the organization and operation of committees, has become the watchword of British management and labor. But more than that, these committees have emerged, under the exigencies of war, as effective instruments of factory democratic action, as a means of aiding employers and workers to pool their resources in the productive drive. They have initiated a new regime in management-labor relations through their encouragement of employers to attain a more realistic approach to labor problems, and of workers to understand the difficulties inherent in the managerial function.

The question may be asked: Will production committees, and through them joint control of industry, persist in Britain after the war ends? An examination of conditions immediately following the last war reveals the rapid death of this type of control in spite of efforts of shop stewards and Whitley Councils to sustain it. But the movement for joint control at that time had no Governmental sanction and no trade union backing, and it was handicapped by the almost constant conflict between union leaders and shop stewards. It may be conjectured, therefore, that the fate of production committees at the conclusion of this war will be dictated by the degree to which industry remains under Government control, and by the extent of unemployment in those industries which have been expanded for war purposes.

### *Continuance After War?*

THIS war has initiated a marked change in industrial technique and in trade union practice. It may be difficult, if not impossible, to secure a complete restoration of pre-war union procedures, and new standards for skilled and unskilled workers, including women, will have to be formulated on a national basis. The longer the war lasts the more entrenched production committees will become as they will continue to prove the logical machinery for collaboration between management and labor.

Participation of workers in the daily problems of war production should have a deep influence on the post-war organization of British industrial structure. Both management and labor are, therefore, challenged to retain the best aspects of committee so that the machinery of wartime joint consultation and cooperation, and

its concomitants of increased efficiency and responsibility toward production problems, may not be lost to post-war industry.

Although many of the pressures and strains applying to employers and workers will be removed with victory these committees should prove so valuable during the remaining months of this conflict that, by the sheer force of their effectiveness in eliminating prejudices and encouraging mutual understanding, they will become unique and permanent features of British industry.

### *Sanction by Government May Help*

MANY of the problems that will inevitably follow this war, such as those concerned with the status of technical and scientific staffs, the use of women's wartime skills, and the return of demobilized men to former employments, should be facilitated by the intelligence and skill of members of production committees.

The Government has laid a firm basis for the present and future operation of committees. The War Cabinet by encouraging their organization in royal ordnance plants, the Ministry of Labor by its amendments of the Essential Work Orders, the Ministry of Fuel by the coal plan, the Ministry of Production by its regional organization have both enlarged the scope of committees and strengthened their position in the minds of the public, management and labor. Practical application of their principles has been furthered by specific agreements secured by national employers' associations and trade union organizations.

It is not too much to expect, then, that the pooling of technical knowledge and imagination of management and labor through production committees, initiated at the Stoll meeting, will tend to enlarge in Britain during the remaining months of war and that, when peace comes, they will be retained and applied to managerial and labor problems.

Participants in and observers of the American industrial scene, therefore, are challenged to survey the principles and procedures of joint consultation and control exemplified by these committees and to apply them to vital American conditions and problems retarding our war effort.

Personnel Men Are often Scorned and Even Insulted by the Big and Little Bosses in Their Companies. But This is No Reason Why They Should be Inconsiderate to Job Applicants.

# You Have *to* Be Tough

BY ELIZABETH M. JENNINGS  
Wilmington, Del.

FOR many months, I have been in search of a job in personnel or industrial relations responsibilities. Now I have one. I have traveled many miles, sat many weary hours on wooden benches and steel contraptions waiting for scheduled interviews. I have explored the popular fallacy that management waits open-armed for brains and ability, and discovered that management has reservations as to age, sex, and important contacts. But this article is not about my finding a job. It is about the personnel practices which I have observed in these more than hundred days of being on the other, the wrong side, of the desk.

## *Know Anything About Recreation?*

ONE employment man, deep in his own worries, greeted me with, "Know anything about recreation? You got to give these bastards movies and drinks on the house to hold them."

A doctor of sociology of whom I have heard it said that he is top-notch in recruiting, was definitely rude to me. I was sent to him by an executive in the same organization. When the good doctor finally gave me his attention, I handed him my application and stated that I had been sent to him by so and so. He looked at my application hastily, put it aside and said, "We have openings for student engineers." I said that I would be completely inept at engineering. Not only did I fail utterly in mathematics, but I have interests only in people. I had spent twenty years in my own field, in experience, study, and research. I felt I had much to offer the field. Why go into something in which I could not succeed and would be miserable?

My remarks did not impress the doctor of sociology. "We have nothing for you," he said shortly, then turned to his secretary. I left his office feeling a complete fool. That he was pressed to find student engineers is evident, but that he failed in his responsibility toward me is equally obvious.

Another gentleman to whom a receptionist had sent me, looked up from his papers saying "What do you want?" He did not offer me a seat, and when I had finished stating my errand, said briefly "I am the personnel man here and I am all we need." That was one of my earlier experiences, in the Wage and Hour Division of the Department of Labor. It toughened me.

### *Self-conscious and Discourteous*

PERSONNEL work is variable and personnel workers are only human beings, but personnel work can be better, and personnel workers, like doctors, ministers, teachers, and other public officials are human beings of whom much is expected.

By and large, the persons who interviewed me were inadequate. They were self-conscious, discourteous, irritable, harrassed, nervous, casual, automatic, or definitely unpleasant. This is not a chip on my shoulder observation. I am sure that none of these persons was aware of the unfavorable impression he made upon a stranger, and that each would be dismayed. I know, however, what an ideal interview approximates, and I wonder how often in my own past personnel experience, I have failed to put the applicant at ease, and failed in my responsibility of judging him as a human being.

In all these months, I have met only two interviewers who possessed that sense of human justice which recognizes an applicant to be a person with rights. Not the least of these rights is the interviewer's full attention.

### *Manners Give Way to Haste*

IT is certainly short-sighted to conduct an interview simultaneously with a dozen other routine affairs. Aside from the consideration due the applicant is the purely utilitarian factor that the applicant may be a person the management can ill afford to do without, a person who has potentialities for profit as well as for wage cost. To the interview, the applicant brings capacities, interests, and possibilities which are merely indicated on the application form, and become tangible and measurable only when the interview occurs. If the interview is interrupted by telephone calls, messages, officials, and other demands, these possibilities do not have their chance.

Indeed, manners appear to have given way to expediency and haste. The official or employee who turns away when he finds the man with whom he wishes to talk engaged in conversation with an outsider is a rare being. Some of the interruptions were inexcusable; only a few were accompanied by an apology. In the middle of an answer to the question as to what I considered my highest skill, an



interview was interrupted by a gentleman who wished to show my vis-a-vis a new arrival announcement. Conversation about the new baby left my explanation of my highest skill in mid-air. My opportunity was gone. When the interviewer came back to the thing at hand, he brought the interview quickly to a close.

### *Good Interviews*

THERE were one or two ideal interviews. What seemed ideal is worth noting:

1. I was seated comfortably, in a well ventilated office, at the interviewer's right, not facing a glare or an unpleasant light.
2. The interviewer gave orders that we were not to be disturbed. There was no confusion, disorder, haste, or contention.
3. I was given the interviewer's complete attention. The period was devoted to finding as much as possible about me for the company.
4. The interview followed a definite pattern and I knew when it was ended. Furthermore, I knew exactly where I stood.
5. I was impressed with the interviewer's genuine interest in me and with his sincerity.

This last point is of vital importance. I know or have met in these past months few personnel men or women with the courage to be sincere.

Someone has said that one objective of the initial interview is to make a friend for the company. That hardly means that the interviewer spends the entire period talking about himself. Yet, three men talked only about themselves, as did one woman; others talked about politics, religion, labor unions, the war, personalities—anything but me and my application. Only the hardest applicant would express personal views to a stranger. And even if the interviewer is attempting adroitly to draw me out, he may learn whether I am radical, liberal, reactionary, or conservative, but that is all he will learn.

This tendency to talk about anything but the applicant is part of the insecure interviewer's defense. He feels inadequate to deal with the subject at hand, and fumbles for an opening sentence—thus grasps at the commonplace. After some of my experiences, however, I may well be grateful that interviewers chatted with me at all.

### *No Consideration*

ONE interview was scheduled for a day which turned out to be a good day to stay indoors. A blizzard raged outside. I telephoned the personnel manager early in the morning to make sure that the interview had not been delegated to another date, since a previous arrangement went that way, but was advised to come ahead at 3:30. I made my way slowly and carefully through blinding snow and finally fell upon the personnel office just inside the gate house. I asked for the manager. A gentleman standing at the doorway said "I'm the manager."

"I have an appointment with you for 3:30" said I, a little proud that I had arrived on the dot.

"Oh, yes—well, we haven't any openings, now, and when we have, I'll call you." That was the sum and substance of my interview.

I say again that much is expected of the personnel man—consideration, tolerance, vision, good judgement, integrity of purpose and sincerity—but I recognize that personnel representatives can be adequate only as long as company objectives and policies are sound.

### *Job That Didn't Come Off*

I WAS hired by the personnel manager of an aviation company as a research person in industrial relations, to report the following week. The manager said that his chief must approve my appointment, but so certain was he that there would be confirmation that I could reject two other offers upon which my decision was pending.

There was great rejoicing in my menage—research in industrial relations—it would be like browsing in green pastures—we celebrated.

On the following Monday, I received a telephone call from the personnel manager. With regret, he said, he must tell me that my appointment was not confirmed. He had been given a "go ahead" signal on hiring a woman, but his chief had not realized he would act so soon. He had assured his chief that I would be a credit to the organization and had furthermore, advised him that I had rejected two other offers. The chief felt merely that it was too bad. So did I.

Undoubtedly there were no amends that could be made. One cannot help question the position of the personnel manager in that organization, but one also admires his straightforwardness and sincerity in the telephone call. He made no promises which he knew he could not keep; he blamed no one but himself. Because of his sincerity, the disappointment for me was softened.

At the arrangement of a private agency, an interview was scheduled at what seemed the end of nowhere after I got there. I stood on a crowded train, on crowded busses, and walked three-quarters of a mile in a blistering hot sun through sand and gravel to the branch office of a nationally known floor-covering company. Just inside the door was a small vestibule large enough for myself, the switchboard (behind a half-partition) and a narrow pedestal with a small flat top. This was the hottest day in July. I was announced. I waited fifteen minutes. Finally, a gentleman, who said he was the manager of the office, emerged from an inner door and said that the man with whom I had my appointment was called away, but might return. Meanwhile—and he handed me a four page application form with a pencil stub—he would suggest that I fill out an application. He departed.

Could it be that I was expected to complete this long application form standing before that tiny pedestal? It could be.

I felt a sense of outrage which I could hardly control. The personnel manager did return, and the interview went on as scheduled.

### *Do Youse Want Work?*

I TRAVELED fourteen miles for an interview in a steel plant which was thinking of employing a woman counselor. With other applicants of varied types and races, I sat in an airless room on a wooden bench waiting for someone to emerge from what appeared to be "the office." Eventually, a youth appeared, glanced casually at us and said "Do youse want work?" I was stunned but I rallied and said that I did. "There ain't no openings" he reported. Then he saw a familiar face and went into conversation with its owner for about five minutes. I made a timid suggestion that the plant superintendent had told me to come up for an interview. He disappeared but was back in a trice to repeat his earlier dictum. I went home without further words.

### *The Little Man Who Wasn't There*

BUT I traveled eighty miles one way for an interview arranged by mail, for 8:15. From 8:00 to 12:30 I sat on a steel chair—and this another very hot morning. The gentleman who was to interview me would be in sometime that day, said a nonchalant secretary. At twelve-thirty, in bounced a little man with an undeniable air of importance. Such an air that we knew at once that it was he. He walked to his desk—it was a large open office—shuffled some papers, made some telephone calls, shuffled more papers, then called to his desk the last man in line. The telephone rang. The laconic secretary picked up the receiver, talked for a moment, and handed the receiver to the little man saying "It's for you." There ensued a twenty minute conversation. No sooner was the conversation completed than the telephone rang again and again the secretary said "It's for you, long distance Jack." This conversation seemed interminable. One by one, those who were waiting departed, all except myself and another woman who had been there almost as long as I.

Finally, I was called. It appeared that I had been sent for by mistake. There was an opening, but for a junior clerk of sorts, certainly nothing for a person of my background and education, said the little man, all the while looking about the room, shuffling papers, and repeating information which appeared on my application sheet. I was only an annoying incident in that interviewer's life. It was all too apparent that his thoughts were with Jack. In the middle of one sentence which I ventured, he said "Just a minute," reached for the telephone and said to the operator "Get Jack back for me, will you?" He and Jack then talked again, and I waited. It was by now one-thirty. I was weary, hungry, and mad.



*The Handsome Gent*

ONE man stands out in my memory as representing a travesty in interviewing. He is civilian personnel representative for a huge army plant within the city. He was handsome and could not forget it. He was also vague, incoherent, rambling, weary and totally unaware of his mission in that vast office peopled with uniforms among which his perfect gray taitleur seemed incongruous. He walked about with the air of a man holding a teacup at a garden party, and seemed as happy as a child. He read my application, glancing up constantly at passersby, reaching out to the telephone when it rang, then remembering that someone else would answer it, and turning about in his chair to see what was going on elsewhere. This, too, was one of those huge open offices in which everybody knows what everybody is doing.

"My, you certainly have some background here which we could use" he said admiringly, "you certainly have. Where were you born?"

*Eleven Interruptions*

JUST then, a gentleman magnificent in uniform entered our end of the office. My interviewer put down the application form hastily, and got up to greet the arrival. He talked for a moment or two, sat down again with a murmured apology, and repeated his first sentence.

I spent one hour in that office, accomplishing absolutely nothing, despite the fact that the Civil Service Commission had told me there was an opening for which I was well qualified. We were interrupted eleven times during the hour but the gentleman said twelve times that I certainly had a good background and he would certainly like to use me in the office. Throughout the interview, moreover, I was seated in the most torturous glare my eyes have ever encountered.

Two women interviewers should be commented upon. One took me into her chief's office, propped her feet upon an open desk drawer, and remarked "We have had a hell of a time getting personnel." I was shocked into replying that I had had a hell of a time finding a job that interested me and paid me enough money.

Another woman kept me in her office from 12:15 to 1:45 talking not about me—but about her trials in her own job. She wanted to know what I did about the liars and buck passers.

*Sugar, Honey, Dearie*

NEW heights were reached by the personnel manager of an aviation corporation who conducted two telephone conversations in my presence, though I would have withdrawn. The first of them was with a female employee whom he addressed as sugar, honey, dearie, apple pie, and by accident, I suppose, Florence. He promised her a raise, a different job, and a different boss. The second conversation was with a gentleman whom he called Mac. Since he had just finished telling Flor-



ence that Mac did not know enough to come in out of the rain, and since he said to Mac, "I told Florence she could get the hell out of here if she didn't like her job and her wages," Mac's identity is unmistakable.

He replaced the receiver, winking to me, and said "You sure have to lie in this personnel business, don't you? If I have you as an assistant, I'll let you do it."

I am constitutionally incapable of lying or of refusing to meet an issue when the responsibility to meet it is mine. The gentleman and I did not come to terms. It is fairly obvious that human justice lies in obedience to expediency in his personnel practices, and I am thinking of human justice in terms of the human spirit as well as in terms of hours and wages.

### *The Snowball in Hell*

BY TELEPHONE, an interview was arranged with —let us call him Mr. Jones. Ushered into a magnificent office, I recognized Mr. Jones to be a former professional associate. Simultaneously, he recognized me. Mr. Jones spent the next hour and three quarters talking about himself, his draft status, his former jobs, his present one and its difficulties, and would doubtless have kept talking, had someone not opened his door and shouted, "lunch time."

"To be sure," said Mr. Jones, "be with you in a second."

"But we haven't talked about my application," I remonstrated.

"My dear, you haven't a chance of a snowball in hell," he said blandly.

I had shared the opinion of others that Mr. Jones was especially inadequate at his former profession. He had not improved. I walked from his office pondering the ways of management in this year of our Lord, 1943.

### *The Wrong Side of The Desk*

THIS is my first experience in job-hunting. I am not a difficult interviewee; I am not hypersensitive, and I did not hunt for things to criticize. How ordinary, how extraordinary are my experiences? How many applicants have failed because the interviewer's skills have been submerged in routine, because his vision has been lost to momentary detail, because he is unable to forget himself?

Interviewing is an art. I suggest that the art needs a shot in the arm. Is somebody going to suggest that personnel offices have lost their meaning in this pragmatic world, that the only way to get a job is to know the important person on the right political line who knows somebody more important on the same line? Perhaps. I have begun to wonder about it myself. But there still remain hundreds — thousands of us who want to be hired because we have something that management can use constructively.

It would be well if management could apply for work at its own doors. Management might experience a revelation.

# Office Management

*Outlines of some talks given at the twenty-fourth annual conference of the National Office Management Association at Detroit, Mich.*

## I. THE IMPORTANCE OF HUMAN BEINGS

By H. A. LYON

National Cash Register Co., Dayton, O.

**I**N how many companies that you know is it customary to provide for an intelligent maintenance and development of human beings—the asset that cannot be replaced—compared with the organization which is employed to maintain and develop inert machines?

It is your job to see that the records of purchases, production, sales, finance and general matters keep pace with the actual operations of your enterprise. In so doing you use a good deal of mechanical equipment. You insist, rightly, on a scientific appraisal of your jobs to see where mechanics can best help. You insist on maintenance of that mechanical equipment, and you are continually alert for new developments in that field to speed up and simplify your operations. It is true today that equipment companies can give you a pretty scientific appraisal and recommendations. But appraisal and maintenance of manpower is still far from being rated as worth a scientific approach.

### *Four Main Motives*

**I**T is necessary to recognize that the motives of all human beings are pretty much alike, whether they sit in executive offices or work at the bench. I think we have erred considerably in appraising those motives. We have inclined to put personal gain at the top of the list, and I am perfectly certain it does not belong there. A far greater motive is pride. Certainly it isn't any hope of gain that makes a man jump into the water to save a drowning person. It isn't gain that makes a boy scout try for more badges. It isn't gain that causes a man to take a leading part in his church, in his lodge and in a thousand activities outside of business. It isn't gain that motivated all these boys who have enlisted or who have responded willingly and gladly to the call for service to our country. In every single instance I have mentioned, the motive is pride.

The second most powerful motive for most human beings is, I think, a desire for security. That hasn't always been true in this country and, as a matter of fact, it has been accelerated greatly in the past twenty years. It has all over the world. "Rugged individualism" does not have the appeal that it had when this nation was

younger. I am going to make a statement which you may find debatable. I doubt that the person who preaches rugged individualism today really believes in it. He is interested only in the *exclusive* exercise of rugged individualism by himself, and others are expected to conform to his opinions and even whims. When rugged individualists meet it's a battle—not a sample of how to live amicably and fairly with the rest of the community.

### *Gain in Fourth Place*

How long can it be expected that people will accept two opposite modes of living? That very question, even though unanswered, does bring us to the third strongest motive among workers today and that is the demand for decent living. The speed with which a great many of these people have learned to demand far better conditions is amazing. It may not be possible to send them back to more primitive conditions without a desire for better things. Decidedly, decent living is a powerful incentive.

I would put in fourth place what is normally called gain; that is, a demand for material things over and above what is necessary for reasonable security and for a decent living.

What goes to make up pride in business? The first characteristic, I think, is a sense of participation. If an individual can be made to feel certain that his work is really essential—that he is an integral part of a worthwhile function—his pride is stimulated. If, on the other hand, no such feeling is engendered, it is going to be difficult to get into that person's head any feeling of achievement, any pride of accomplishment.

The modern system of mass employment puts an extra responsibility on management to assure that this feeling of individuality is not offended.

### *Motives Can Be Appraised*

THE most important consideration in this world is human beings. Machinery, buildings, materials can all be readily replaced. Their loss can even be insured. But loyal, interested human beings cannot be replaced, nor can their loss be adequately insured. If we want to be surrounded with loyal, cooperative, decent people, we are going to have to express our belief and faith in them before we can appeal to their faith in us. We must give some consideration to an adequate attempt to keep the very delicate and non-replaceable human mechanism with which we are associated in the best possible condition, and to develop it to its greatest value. That means we must understand human motives, and must act according to that understanding. It is entirely possible to discover and appraise motives.

## II. WARTIME SALARY ADMINISTRATION

By R. P. BRECHT

Univ. of Penn., Philadelphia, Pa.

FIRST and foremost among the problems that make for a restive nation is the wage and salary problem. Mounting costs of living, huge tax burdens, subscriptions for War Bonds and a myriad of other money costs that drain the pocketbook—can men be expected not to do some fretting and chafing when income is held down! With dissatisfied workers and steady defections to high income war plants—can employers be expected not to do some fretting and chafing when they cannot bid to hold their help and dare not move the prices of their products higher to meet increased costs! Far from irrelevant—the problem of wages and salary is just about in the middle of the area of discontent at the present time!

### *Position Data*

THE initial, indispensable step in any plan of salary administration involves the securing of position data. It is generally accepted as best practice to develop this position information with the help of supervisor and clerical operatives through personal interview supported by questionnaire. It is by this process that identifying information and job duties are secured which are used in the evaluation of positions. The complete write-up of the position is generally known as the job specification.

Not only should job factors be reduced to the minimum in number, but the factors actually selected should be chosen with these considerations in mind: they should be capable of being described simply and directly, in terms of concrete situations rather than in general terms; they should have common denominator importance in the greatest possible number of jobs; they should be basically important in marking major differences in the importance or difficulty of positions.

### *Men and Jobs Together*

IT MAY be beneficial to give some thought to an approach that attempts to examine man and job simultaneously, with the view of altering job content to meet employee requirements, thus aiding in the job adjustment of the employee, and promoting more effective work. Such an approach embodies these three steps:

1. Development of a composite picture of what the average or right man does on the job. This, then, becomes the standard job description.
2. Determination of the kind of employee who is employed on the job. This represents the man description.
3. Discovery of how well suited each man is to the job he is doing



with the purpose of making the appropriate ultimate adjustment through corrective training, if at all possible, through transfer, or finally by elimination.

At present, over a wide area, both management and employee are thinking in terms of financial incentives as a defensible way out of the sharp restriction on employee earnings, if used with reason.

The subject of financial incentives is not a new one. In the field of the office, interest in their use has always run high, with, however, a surprisingly slow general acceptance of them as a practical tool in motivating employees.

### *Stop Conniving*

UNDOUBTEDLY, some managements are conniving with employees to circumvent the restriction on wage increases through the use of financial incentives. By establishing bonus or piece work earnings on "soft" standards, employees can "kill" the job and walk off with fat pay envelopes, all nicely rationalized as added earnings permitted through increased productivity. This practice is most deplorable, not only on the moral count of evading an essential war control, but on the count of storing up trouble in the long pull when a measure of sanity and normalcy will return, for there will be a day of reckoning when the full pain of pegging a cost needlessly and indefensibly high will be felt.

The details of the incentive scheme itself should meet the long-established criteria of a good plan: (1) it must be easily understood by the employee so that he can compute his earnings and know where his effort stands in "take home" at all times; (2) it must be administratively economical to operate in making counts of work and in payroll computations; (3) incentive earnings should be paid as soon as feasible economically after performance, so that reward and effort may be clearly associated in the employee's mind; (4) the plan should include a guaranteed base pay below which earnings are not allowed to fall; and (5) "make-up" pay should be computed on the basis of the day, preferably by the job, if record-keeping is not thereby made excessive; not on the basis of a week's work or for longer periods.

It seems sensible that sooner or later some check on the "take-home" effect of the incentive plan will be instituted, particularly if use of incentives to circumvent the economic stabilization order becomes prevalent. The relation, too, of incentive earnings to the maximum rates of brackets may conceivably be a determinative consideration.

### *Proper Information on Incentive Plan*

IN ANTICIPATION of some such development, it would seem good practice to submit the following information with the request for approval of an incentive plan or to be prepared to submit it:

1. Unit total costs and unit labor costs before and after use of the incentive plan.
2. Past production figures for the operation per specified unit of time: general average, the best performance of an individual employee, the worst performance of an employee.
3. Predicted levels of performance under the proposed plan.
4. Method of determining the standards of performance used under the plan and the soundness of those standards.
5. Comparison of typical employee earnings before and after installation of the proposed plan.
6. Detailed description of the plan.

### III. HOW TO SET PRODUCTION STANDARDS

BY HAROLD C. PENNICKE

Massachusetts Protective Assn., Worcester, Mass.

**P**RODUCTION standards are, as everyone knows, a prerequisite to the use of any kind of wage incentive plan and wage incentives have recently been advocated as a means for speeding up war-time production.

We have no comparable figures on office workers but the number of companies which, to my knowledge, have used incentive wage plans for any considerable portion of their office operations has been pitifully small. The same comment applies to the use of production standards.

#### *Why Not Set*

**I** DO NOT believe that this situation in the office has been due entirely to any lack of appreciation or enthusiasm on the part of the office executives. I have seen too many cases which substantiate this statement. It has, however, been due to lack of top management appreciation for the advantages to be obtained and an unwillingness to give serious executive attention to many of the pressing problems of office management in their own organizations.

To a larger degree, this attitude of top management is understandable because of the day to day pressure of financial, production, and selling problems; but there should be one top executive in every large organization who has the office as one of his major responsibilities and who will have the time and understanding necessary to devote to office management problems and the necessary access to his other top management associates so that major policy decisions on office management problems can be more promptly obtained.

The setting of standards is a highly technical, as well as a somewhat tedious and time consuming, operation. The office executive, if his office is a large one, will seldom if ever be able to give enough of his personal time to do this work himself. He will need, and should have, the assistance of a competent planning and time-study staff.

Only a careful analysis of a particular job, including its relationship to other work in the department, can enable one to determine whether or not a production standard should be set for the work, the amount of time which should be devoted to the setting of the standard, whether the standard should be set on an individual or a group production basis and finally, which techniques or combinations of them should be used in setting the standard.

### *Work Simplification*

THESE important preliminaries, i.e., the routine analysis and method studies of the job or jobs for which we wish to set production standards having been completed, our next task is to simplify all operations where such simplification is possible and teach the worker any new or revised methods which have been adopted. We are then ready to set the production standard.

It is the sum-total of all elemental times (both standard and indigenous) which determines the production standard for a specific job. This resulting production standard can, therefore, be used for the one specific purpose it was custom-made to fit, and for no similar job in any other organization.

Wherever time and circumstances permit, it is advisable to use time or micro-motion study methods for the setting of production standards. It is, however, perfectly feasible, and even desirable, under many operating conditions and during these war-times, to use a shorter statistical method for the setting of production standards whenever possible.

## IV. CUTTING CLERICAL COSTS

BY EUGENE J. BENGE

Chicago, Ill.

A BRIEF analysis of clerical expense will reveal that most of such expense is incurred for:

S—pace  
T—ime  
E—nergy  
M—aterials

and the four words have been purposely arranged to facilitate their memorization. The first letter of each word helps form the word STEM and this stem, in turn, has the following twelve branches:

Space  
One dimension (flow of work)  
Two dimensions (layout)  
Three dimensions (building features)

## Time

Waiting (as when records lie in a mail basket)

Traveling (between desks or departments)

Production (clerical operations)

## Energy

Human (as in adding a column of figures)

Mechanical (as addition by use of a hand operated adding machine)

Electrical (as addition by an electrically activated adding machine)

## Materials

Supplies (as stationery, ribbons, etc.)

Records (used in the business)

Equipment (furniture, machines, etc.)

Production managers in shops have long since broken away from the features of appearance or standardization in achieving increased production, office executives have not yet reached this point. You should not hesitate to cut a desk in half, or to pile something on top of it, or to cut a corner off, or to make any other modification in a clerical working surface in order to make it more effective. There is no reason that all desks need look alike. The desk and accessory working surface should be designed to facilitate the work of an individual. Some day a manufacturer of office equipment will analyze clerical work into a number of basic elemental operations or motions; will develop working surfaces, trays, bins, etc., designed to facilitate each operation; will make it possible to combine these in almost any reasonable setup for the performance of a clerical job.

### *Studying Clerical Routines*

**I**N UNDERTAKING to find space, time, energy or material economies, it is well to imitate the flea. Follow through a clerical record from beginning to end. Record each step of the way. Collect copies of all records en route. When you have these data at hand, prepare a chart which shows the steps followed in any department and the records used. When you have made such a chart it will probably be large. It may be necessary even to paste the forms and to write the steps on a roll of common wrapping paper, so that it can be mounted on the wall of a conference room.

In this way you can see all the forms involved in a record, to study them for duplications and possible eliminations or combinations. With a red pencil you can mark each step with a "W," or "T," or "P," standing for "waiting," "traveling," or "production" time. With a blue pencil you can mark each step with an "H," "M," or "E" standing for "human," "mechanical" or "electrical" energy. You can supplement this chart with a layout chart. Two charts may be prepared—one before study and the other after study. The second will reveal how much simpler a clerical routine can be made if concentrated effort is devoted to it.



In offices having fifty or more employees, there is a definite place for job evaluation and merit rating; even in offices having fewer than fifty employees, some simple form of wage classification, coupled with an adequate merit rating plan, will provide a basis for administering equality in the disposition of salaries. Offices generally have been slower than production departments to realize the benefits of job evaluation and merit rating.

### *WLB's Concessions to Incentives*

IT is feasible to set up an incentive bonus system based on job evaluation plus merit rating, provided adequate safeguards are utilized to offset lenient and strict raters, or to prevent favoritism. This is a relatively new development but one which has great promise, especially in the light of the War Labor Board's concessions toward incentive plans and merit rating.

We can expect increased mechanization, so that many of the lower forms of office jobs will be performed by persons of mediocre ability. We can expect greater complexity of forms and reports as the interrelationships of government and labor and business become increasingly complex. We can expect greater enlightenment on the part of top executives as to the importance of the office function and as to policies applicable to white collar employees.

## V. THE WHY AND HOW OF METHODS IMPROVEMENT

BY WAYLAND S. BOWSER

Blaw-Knox Company, Pittsburgh, Pa.

IT HAS been the history of American production that the operating man has found the way to constantly improve products and manufacturing methods, thereby producing more things at less cost, while at the same time increasing wages. The same thing should be true of the office and is to some extent. My own belief, however, is that the production manager has done a much better job than we have done and that progress in the office lags far behind progress in the shop. In my opinion this is not due to the lack of progress in office equipment, for I believe the manufacturers of machines and equipment for office use have been as progressive as the manufacturers in any other field. Rather, it is due to the fact that the office manager too often reports to an operating man who isn't too sure what production should be expected of the office force. To be fair to him, we office managers must make our offices as progressive as our bosses make the shop.

### *Improvement or Deterioration*

WE MUST either constantly improve them or they will deteriorate. So, if you are one of those who thinks his methods can't be improved, I will ask one question and leave it with you to think over: Do you also believe that you or

your successor will be using the same methods without change 25, or 15 or 5 years from now? If you do think so, you have no imagination; you're in a rut.

It is just as logical to make a science of office methods improvement as it is to conduct scientific research for the purpose of improving products or production methods. It is just as logical to spend some money on the one as the other.

Based on my experience, I should say that the lag between improvement in production methods and improvement in office methods mentioned before has been caused by the development of scientific research methods in the shop and the lack of a scientific approach in the office.

### *2' on Research*

**Y**EAR in and year out you can afford to spend an amount equal to 2% of your office salaries in a constant search for better methods. It will pay handsome dividends if its spending is well planned.

In the second place you must have a methods research organization. I'll grant that some improvement will come from time to time from the suggestions of the clerks or the office boy. I'll admit that many good production ideas have come recently from the workmen in the shops. All credit should be given for them. But I submit that the company which depends on its workmen for development of new products and production methods, can't possibly compete with the competitor who aggressively works for that improvement through a scientific research organization. Research in any line is a man's-sized job and should be treated as such. And that goes for office methods.

The size of the research staff must fit the size of the overall office organization, taking into consideration the number of locations to be covered and their size.

### *Functions of Research Staff*

**T**HE methods research staff, therefore, should consist of one or more individuals who have a background of training in one or more, or all, of the skills which are required in methods work. The small company which depends on a single individual for methods improvement must have a man who is skilled in all phases. The large company, which can afford and needs a larger group, can use people of different skills, who fit into the different operations in methods research.

Let me describe these functions, or steps. They are:

1. Planning and scheduling the studies to be undertaken. This is the job of the office manager or supervisor of the methods staff.
2. Surveying the system in use. This work is performed by procedure analysts.
3. Designing improved methods. For this work skilled procedure designers are required.
4. Assisting in the installation of new methods. Both procedure

analysts and procedure designers join in this work, or in a very large organization an installation crew can be developed.

5. Preparation of the procedure manual. A person skilled in accurate use of the English language is invaluable.

6. Handling methods emergencies. People of the grade of the procedure designers should be kept available for the emergency work which is constantly putting in an appearance.

Don't expect the same methods men to handle the emergencies and also a planned and scheduled program. They can't do a systematic methods research job if they are interrupted by every emergency that comes along. A good trouble shooter to handle the emergencies is invaluable and absolutely necessary if the methods program is to progress systematically.

This is a Criticism, by a Federal Employee, of Supervisors. This Sort of Vague Generalized Dissatisfaction is Very General Throughout the Government Service and Industry, and Impedes Efficiency. We Do Not Think that Better Supervisory Training is the Answer.

# Personnel Counselling Obviously Needed

BY H. E. EISLER

Social Security Board  
Washington, D. C.

IT is the premise of this paper that supervision in government agencies is faulty. It is imperative for students of administration to evolve ways of relating theory and principle to practice so that there will be developed methods of dealing with workers as growing human beings. It is considered that it is possible to work with people as individuals in group relations, without wiping out individuality. At the same time it must be possible to carry out effectively the objectives for which the agency has been created.

## *Employees Are Inarticulate*

THE great mass of government employees is inarticulate. Fears predominate. However, the substance of governmental personnel policy has much to gain by contributions from employees emphasizing the focus of such contributions by subordinates, on activities of the ordinary supervisor in his reactions to the work situation. The constant conflict characterizing relations between subordinates and superiors is a large source of dissatisfactions, discontents and grievances so evident in public and private discussion.

A huge and voluminous literature on personnel administration clutters up library shelves, all of it paying lip-service to lofty and superficial sentimentality respecting methods of dealing with employees. Logic seems to be lacking. Instead substitutions and rationalization of wishes of writers to express themselves in definitions of service in terms of their own strains and pressures are more evident. These negate the force of their reasoning.



Furthermore, if analysis is applied to the form and content of the writings one discovers that it is replete with such concepts as cooperation, coordination, control, leadership, function, method, democracy, participation, management, objective, authority, prestige, service, policy, formulation, responsibility—in fact every resounding word or phrase having the authority of hackneyed, routinized drivel.

Booklets distributed on induction day are meaningless if active, developmental collaboration in the supervisory process is not a vital part of employee relations on the job. The worker who is introduced to this literature accepts it at face value. He is thoroughly heartened to learn that the agency focuses attention on proper personnel administration; that the welfare of the employee is being sought as well as the objectives of the agency. It is not long, however, in the experience of the worker that discouragement and disillusionment arise.

### *Employee Idea of Weaknesses*

THIS is meant to be a subordinate's attempt to reveal what he believes to be inherent weaknesses in the realities of existing supervision. It is a general evaluation of the boss who needs evaluation by subordinates, just as subordinates quite often have imposed upon them more or less valid periodical appraisals in which they rarely have a part in spite of printed injunctions insisting upon active, mutual participation in the rating process.

### *Evaluate Supervisors*

FEW bosses realize that they are being constantly evaluated by their subordinates. To the worker are revealed weaknesses of which the boss is seldom aware. If he were apprised of them he would traverse his road with less assurance in his capabilities as a supervisor, and he might be aided to achieve the kind of competence and understanding which administration is seeking. Even more—it would eliminate the ignoble fears which beset workers more often than is realized.

It would help the boss immeasurably to take stock of himself by enlisting the cooperation of the worker in this task. It would pay him if he realized finally that most workers want to be good workers in every sense of the word; that they are earnest and eager to give themselves unstintingly to the demands of the agency's activities. Endowed with initiative and generally well equipped by training and education, they are not worried about being able to get just another job. Most of us are compelled to work in order to achieve security. But the wish to be of service is a drive which, when thwarted, leads to discontents and disintegrations, expressed in maladjustments which are all too common in agencies where repetitive and monotonous operations are necessary.

No amount of experimentation with music, or rest periods, or other remedies will eliminate attitudes born of fears, uncertainties and anxieties.

*Employee Regarded as Tool*

A COMMON objection to the ordinary supervisor is that he tries to make a mere tool of his subordinate. He insists that the energies of the worker be directed in channels which he, the supervisor, deems convenient, without trying to harmonize effort and capabilities, or to learn whether the worker may have another point of view, or whether the worker may have evolved an improved method in operations arising from his daily contacts with the minutiae of the job. Why does not the supervisor realize that he cripples self-respect, thwarts energy, frustrates effort and overlooks potentialities if he does not take the worker into his confidence to harmonize personalities for the common endeavor?

The worker is being paid to do a job, to render service of the best kind, yet more often than not the supervisor receives only a minimum of cooperation. This may arise from the fact that he alone can do all parts of the job, though that may be seriously questioned.

The important point is that he has not supplied guidance in the area of self-reliance and the acceptance of responsibilities, which is at the very core of the philosophy of supervision. If he insists on doing all the work himself because his time is too crowded to teach his subordinates, then he has not scheduled his working day properly. To the worker, such attitudes are deplorable and disheartening.

*Employee Wants to Be Trusted*

WHILE the average employee recognizes that the supervisor is presumed to be thoroughly familiar with the work of the unit, he wants to be trusted. It serves as satisfaction of his need for experience. He wants to be furnished with opportunities to prove that he merits advancement. It is not good for him to be unwanted. While he is certain of his pay check, he wants something more. In the end, if he does not achieve his wish for some degree of recognition, he looks far afield for other work; worse still, he quits his job in disgust—hurt, bewildered and confused regarding contradictions of the rosy promises of induction day and the vivid experiences of the period following.

Another kind of supervisor is the vacillating individual, who is not able to abide by purposes and policies enunciated by top management. He lacks the firmness which comes from confidence in certain procedures passed on to him through channels of, say, the planning division of the agency. The worker seeks translation in order to do an efficient job. He directs workers in a few loosely joined phrases to do a thorough study of a subject that may fit in with the plans of the moment.

The worker takes the assignment seriously. When the job is completed and results handed in the whole design has been forgotten by the supervisor. The end result is that everyone is involved in misunderstandings, and waste of valuable time

and energy on worthless projects. Worst of all, latent inferiority tone which is part of everyone's makeup is stirred into activity. Is the solution to this a suggestion that the worker is to blame because he does not question to achieve clarity? Ordinarily he is afraid to do this. He has noted disaster in other situations and does not want to court disorganization for himself.

In his unit the supervisor reigns supreme. Of course, he must pursue policy consonant with directives from above. Changes or modifications affect him profoundly. But how many supervisors conceive it to be their duty to acquaint mere subordinates with important alterations of procedures? An administrator sends a memorandum through supervisory channels—possibly in some area having to do with welfare contributions, changes in methods, hours of work, or decentralization. The question at issue requires consideration by the whole working force.

### *Group Participation*

GROUP participation through a staff meeting might dissipate all doubts and conjectures. By all the rules in the books information as to final action should have been filtered through to the workers. Instead, as time passes, rumors begin to percolate through unit after unit wholly distorting actuality; none seems to know what may have been revealed to the supervisory level by top management. The worker probes about in the dark. Rumors run riot. Again they are beset with disturbances and inner turmoil, and are criticised adversely if they verbalize their difficulties unduly.

Another area of supervision which lends itself to criticism is the situation in which the boss does not commit himself. He is approached with a suggestion, or a question which has long caused some concern to some of the employees. Every effort is made to mention the subject so that no inconvenience may be caused. It may be that the worker wishes merely to unburden himself. His strains may be without foundation. But so long as he is part of the configuration, he functions within a sector of experience which is real, at least, to him. The worker looks forward to a possible solution worked out together with the boss. He begins to talk and pauses from time to time, expecting some comment. No word smooths the path for him.

Some workers recognize subservience to the whims of the supervisor as a means of achieving sound relationship. The worker who chooses subservience as a medium of achieving recognition, achieves also peace, but not self-respect. The dictator type of supervisor is all too common. He is the planner, examining every detail of an operation, and because he knows the why and how of a job, initiates undertakings as if he were a general carrying out a campaign of major importance. Of course, planning is necessary; without it efficient and economical operation would suffer irremediably. But this supervisor interprets every move not inspired by him, as a direct challenge of his omnipotence.



*Drill Sergeant Methods*

**D**RILL sergeant methods, however, rarely work to advantage. Subordinates with spirit, originality and imagination express resentment in ways which are not healthy. To this supervisor, only the robot is dependable, because he is docile and compliant. Growth and development in skill and integrity and faith in purposes of the agency become stifled in the gloom of such an atmosphere.

Then there is the supervisor who makes a fetish of time—time to begin work, time to quit, time allocated for every moment of the day. He believes that there is a correlation between accomplishment and time spent at the desk. This individual watches his workers sedulously. He really believes that he has eliminated all loafing, since he is constantly on the lookout for the worker who dares to diminish the tempo of operations.

Malingering and neglect were resistances that were directed against him. He failed to realize that his attitudes challenged the workers' ingenuity to outsmart him. The workers wanted to respect the administrative necessities of conserving time, but they were not trusted and the very worst in them was thus evoked.

*Dealing with Suggestions*

**A**LSO to be deplored is the supervisor who fails to acknowledge the carefully considered suggestions for the extension and improvement of the service. Its worst form is the carelessness with which suggestions are treated. They are passed on and neglected, remaining dormant in voluminous files. They are not acknowledged and the worker wonders why, and hesitates to ask. He realizes that they may be deficient and imperfect, but suggestions have been sought by management. The supervisor who is responsible for this neglect is not mean. He merely believes in standard practices and has no faith in untried and new fangled notions. The job has always been done thus and so, or the idea may be too far-fetched anyhow, so why examine it? Or even acknowledge it? He feels safer in following traditions and precepts which have been found to work adequately.

Another kind of supervisor for whom subordinates cannot do their best work is the chap who fails to offer some inspiration to his workers by refusing to make comment on a job completed by one of the group. The worker attacks a project which is satisfying to his sense of accomplishment. The end product is a sort of pleasure which an artisan or craftsman may have in the realization that his efforts have produced results. While he realizes that the supervisor is preoccupied with many other things, he ought to find time enough to offer some gesture of commendation. This supervisor avoids the slightest indication of anything which may be interpreted as a compliment.



*Irritability*

ANOTHER kind of supervisor that my colleagues and I would consider incompetent is the individual who is easily irritated and shows it actively. For some triviality revealing his sense of inferiority, or unhappiness, or inner turmoil, he takes a dislike to an employee and nurses a grudge wholly out of proportion to the weight of the incident which gave rise to the unpleasantness. He nurses the grudge, and irritates the source of infection by brooding over it.

Supervisors who fail to credit an employee when credit is due are responsible for a great deal of dissatisfaction and disappointment so rampant in the lower classifications. When a worker is aware of the demands of the job and is sincerely trying to improve, he looks forward to some acknowledgment of effort. Without it he has no sense of his relationship to the objectives of the organization. It does not help conditions in the unit if the boss accepts inventiveness and ingenuity without some appreciative comment, but expects excellence as a matter of course. When silence greets the worker at every turn, he interprets this as unwillingness on the part of the boss to encourage closer acquaintance.

*Workers' Discussions*

THE comments which have been set forth here do not apply to every supervisor. But those which have been suggested arise directly from workers' discussions among themselves. They are based on actual experiences. It might be well for the boss to view himself and his opportunities from other vantage points than his own, to regard himself with workers' eyes and workers' wills and workers' ideas. It will help him to achieve development in the realm of human relationships as they relate to effective supervision—to reduce to a minimum the narrowness of his outlook.

There are other features of maladministration for which many supervisors are to blame. Though resistances arise (seldom expressed overtly) on the part of the worker, he realizes that there must be gradations of rank, implying differences in power and responsibility and the need for routinizing operations and activity. None can deny that both rank and routine are necessary wherever a mass program must be carried on. But resistances do arise in many ways—silent and un verbalized. Workers become oversubmissive and antagonistic and these create fears.

The worker is not impressed by empty words and meaningless phrases sent to him in mimeographed memoranda. He wants information and direction to be imparted, so that he may develop latent ability, skill and insight. He wants to be provided with conditions so favorable that he will be able to do a good job, and he wants to participate and share in providing such conditions. If an agency supplies the conditions which make for morale its workers will develop accordingly. The worker wants opportunity for growth which guidance provides.

*Bases of Morale*

ADMINISTRATORS and experts have done a tremendous job in organizing the work of government agencies, but a great deal remains to be done to make the ordinary employee adjusted to the demands of his work. If the agency affords opportunity for its employees to expand, if the whole atmosphere of the agency is free and spacious, rather than petty and fearful, then the individuals have a chance for their sense of obligation to operate.

Morale is not created by nullifying the results of study made by many excellent students of administration. Morale is nothing less than the sum total of attitudes people have in living on the job—a sense of the values which the agency represents,—grip on work and belief in the worthiness of agency objectives. If workers do not have qualities which make for competence, a feeling of good will toward their work and toward the people with whom they work, no manipulation of books or writing or techniques is going to help. If workers were not dominated by fears generated in part because of faulty supervision they would have healthier attitudes toward supervisors and administrators who are spoken of loosely as bureaucrats because they appear to lack wisdom of the welfare of the people.

# Employee Handbook

(PART II)

Of The Pennsylvania Company  
Philadelphia, Pa.

*(EDITOR'S NOTE.—One of the best aids in ensuring employee job satisfaction—leading to an avoidance of quick quitting, absenteeism, slowdown, etc.—is a good employee handbook. It should not only be given the employee when he is hired, but might be given him before actual hiring, and may even be used in recruiting. It also guides company executives and supervisors in their dealing with employees.)*

*The first part of this handbook appeared in the September, 1943 issue of the Personnel Journal (p. 97). It is a good model for any medium sized company to follow.)*

## III. WHAT THE BANK EXPECTS OF YOU

### REPRESENT THE BANK WELL:

*Service to the public* is the Bank's stock in trade. We try to make our service the most reliable, friendliest all-around banking and trust service in the Philadelphia area. Every employee has in some part a responsibility in serving the public well.

*If you deal with the customers of the Bank* in your new job, yours is a *direct* responsibility. To the customers you ARE the Bank; they will judge the Bank by the quality of the service *you* give them, by *your* courtesy and willingness to serve them.

*If you do not deal with customers* yours is an indirect responsibility, but equally important. If you run a bookkeeping machine, type letters to customers, file correspondence, or maintain the bank's property, the results of your work will be evident in some way to the public we serve. Be accurate, careful, neat, and thorough in everything you do.

*Be informed*, so that if your friends and acquaintances ask you about services the Bank performs you will know the answers. Be able to correct wrong information and to direct friends who can use one or the other of the Bank's services to YOUR Bank.

### DO YOUR JOB AS WELL AS YOU CAN:

*The mechanical day-to-day performance* of a task will not be enough to make you a success in your job. Here are some other things which are important, too:

*Be prompt.* . . . Come to work on time. A few minutes' lateness in the morning or in returning from lunch may delay the work of other employees or make a customer wait. It's efficient to be **punctual**.

*Work steadily.* . . . When you were hired we thought you had sufficient ability to do your job. You are the only one who can use that ability to the best advantage. The will to work hard and steadily is a valuable asset. Without it, ability goes to waste.

*Be loyal.* . . . Work with your employer, not against him. Carry out orders with good grace, and if you have any complaints make them to your supervisor, not behind his back.

*Get along with fellow employees.* . . . Be courteous, respect the opinions of others, do your share of the work. Don't carry gossip, be a "meddler", give advice unsolicited, ask for special privileges, or alibi if you make a mistake. Then you'll have the goodwill of your fellow employees.

*Be neat and accurate in your work.* . . .

*Cultivate a pleasant disposition and a neat appearance.* . . .

*Make suggestions for improvement in methods of doing the work.* . . . Wait until you have learned your job thoroughly before making suggestions. Find out first why things are being done the way they are now. Be sure your suggestions are constructive and not just "different".

## PROPER USE OF THE TELEPHONE:

*Part of public relations.* . . . Much of our contact with customers is by telephone. If we are to complete a transaction efficiently, to give information courteously, to handle a complaint with tact—by telephone—it means that all of us must observe the basic rules for good telephone manners.

*Suggestions for good telephone manners.* . . . Answer your telephone promptly; ask someone else to answer it if you leave your desk. Give your name and department when you answer, rather than "Hello". Speak clearly in a natural tone directly into the mouthpiece. If it will take you more than a minute to get requested information, ask the person calling to let you call him back. If he wants to wait, thank him for waiting. Avoid shouting when calling others to the telephone. Offer to take a message or a telephone number if the person wanted is not available. If you cannot answer a request, try to find out the answer without transferring the call, or at least make sure you are transferring the call to the proper person. Wait for the calling party to hang up first.

*How to use the Bank's telephone system.* . . . Bell and Keystone service is available. To call outside numbers, on the Bell, lift the receiver and ask the operator for an outside line, then dial your number. On the Keystone, dial 0, listen for the signal, then dial your number. The Keystone should be used for calling local numbers whenever possible, to avoid over-loading the Bell lines.

*For interdepartmental calls,* use the Keystone with few exceptions. The Keystone interdepartmental telephone book lists almost all employees and gives the department and extension where they may be reached. Of course, some changes have occurred since the book was printed. For Keystone use, merely lift the receiver and dial the extension. To call the Bank Keystone operator, when you want information, dial 7.

*Tie lines available.* . . . We have a number of direct tie lines with banks, attorneys, and brokers. These are listed in the back of the Keystone book. When you



call one of these firms, merely ask the operator for the firm by name. If we do not have a tie line, look up and dial the number to save the time of the operator.

*Avoid personal telephone calls.* . . . If necessary personal telephone calls must be made, use the pay stations which have been installed in or near all departments. If you call over the Bank's telephone system, give the operator your name and department, and a memorandum of the charge will be sent to you for payment.

## PREVENT WASTE:

*During this period of national emergency* and of shortages in many vital materials, it is even more important that we correct wasteful habits acquired in time of plenty. Many of the following supplies can no longer be bought; others are available in much smaller quantities. Here are suggestions for saving what we have:

*Paper.* . . . Use both sides of a sheet of paper when you can. . . . Tear a sheet in half when only half is needed, save the other half for another time. . . . Don't use an engraved letterhead for memoranda or drawing pictures; use the back of a used envelope or a scrap of paper. . . . Towels in the washrooms are paper; make one do instead of three; you need only one drinking cup for water. . . . Kraft envelopes and wrapping paper are at a premium—go easy, please. . . . Don't use adding machine tape for confetti, tear it off under your total. . . . Don't throw away carbon paper until it is no longer usable.

*Metals.* . . . Return your used typewriter ribbon spool to the stockroom; it can be rewound. . . . Don't throw paper clips in the waste basket; pick them off the floor. . . . Save addressograph plates and frames; they can be melted and the metal used again.

*Rubber.* . . . Save rubber bands carefully. Never throw one away.

*Cotton.* . . . Ask customers to return money bags. Don't waste string.

*Power.* . . . Snap off the electric motor when not in use. . . . Don't make unnecessary telephone calls. . . . Turn off the lights in your department when you leave.

*Be economical with all supplies.*

## OBSERVE THE BANK RULES FOR PROTECTION OF VALUABLES:

*Bank work is highly confidential.* Employees must not discuss with anyone the nature of the transactions which pass through their hands, nor reveal information from records to which they have access.

*Cash and securities* in large amounts are handled and stored in many departments. To safeguard them guards are on duty and certain rules must be observed during and after bank hours.

*Departments handling cash and securities.* . . .

1. Only employees regularly assigned to work in departments handling cash and securities will be admitted to them. Repair men or mechanics must be accompanied by a guard when entering these departments, after permission has been obtained from

the head of the department. Personal friends, salesmen, or bootblacks cannot be allowed to enter.

2. All doors and gates leading to departments handling cash and securities must be kept closed and locked.

*Transporting cash and securities. . . .*

1. Adequate protection is necessary in the movement of large amounts of cash and securities. Advise the Head Guard early in the day, or the day before, so that he will have available the necessary men and transportation facilities to handle the amount to be moved.

2. For smaller deliveries of cash and securities, try to let the Head Guard know in advance so that he may combine several in one trip.

3. Envelopes containing cash or securities should be marked "Valuable."

4. All cash and securities being transferred between the Main Office and Branches should be placed in a suitable container, so that outsiders cannot determine the nature of the contents.

5. In transactions where securities and cash are involved, customers should be asked to go to the department concerned, rather than to hand the valuables to an officer or clerk in another department for delivery.

6. Form B-92 in triplicate *must* be used where a receipt is required by the sender for cash and securities transferred to other departments or to outside firms or individuals.

7. Cash received by mail must be deposited immediately.

*Registered mail. . . .* If you have registered mail to be sent, call the Messengers' cage. A guard will call for it and deliver it to the mail room in person. All registered mail should be sealed before it leaves your department. Registered mail containing cash or securities must be sealed in the presence of two employees in the department where it originates.

*Care of valuable papers and records. . . .* Valuable papers, correspondence, insurance policies, documents, mortgages, ledger cards, ledgers, or anything else of value must not be left on tables or desks after working hours.

*Guards and messengers. . . .* Guards on floor duty are assigned to posts to protect the employees and valuables of the Bank. They may not engage in conversation except in line of duty, nor leave their posts unless relieved by other guards. Guards and messengers should not be asked to do personal errands.

*After Bank hours. . . .* The Bank is open to the public from 9 A. M. to 3 P. M. each day, except Saturday, and from 9 A. M. to 12 Noon on Saturday. Where business appointments are necessary after banking hours, the officer in charge of the department should advise the guard at the door.

Collectors from Trust or Real Estate departments, or any other employee return-

ing with cash or securities after the vaults are closed, must secure a night depository bag, deposit it in the safe, and secure a receipt from the guard on duty.

Employees may not enter the building after hours or on holidays without a special pass approved by an officer in their department. Passes are void after 9 P. M.

When the Holmes Electric system is in operation, employees working after hours should take care not to disturb windows, doors, alarm boxes or mechanical systems.

Branch doors *may not* be opened to receive night deposits.

#### TAKE AIR RAID PRECAUTIONS:

*Penco Defense.* . . . The Bank as a whole has been organized for air raid protection, with air raid wardens, first aid units, auxiliary police and fire corps. Find out the arrangements for air raid alarms in your department, and comply with them. Volunteer for one of the services.

*First Aid Classes.* . . . The Bank holds its own First Aid classes. If you are interested, inquire of your departmental air raid warden for details. The classes are held after working hours, and supplies are furnished by the Bank.

#### KEEP THE BANK INFORMED OF YOUR STATUS:

Inform your supervisor and the Personnel Department of your new address and telephone number if you move. Report births, deaths and changes in marital status in your immediate family, as they may affect your hospitalization membership or insurance beneficiary.

### IV. WHAT IF YOU LEAVE

#### IF YOU PLAN TO RESIGN:

*Give reasonable notice.* . . . If you plan to resign, you are expected to give reasonable notice (at least two weeks) to your supervisor or department head. If you are eligible for military service or intend to volunteer, keep your supervisor informed of your progress.

*Compensation due you if you resign.* . . . It is the Bank's policy to pay you up to and including your last day at work. In addition to your regular pay, you will receive any Special Compensation (see Part I) due you. If you leave to take another job, you will not receive pay for vacation not taken. If you leave for military duty or to assume home duties, you will be paid for accrued vacation not taken at the rate of one day for each full month of service beginning June 1 of the previous year. Those men and women leaving for service in the armed forces will receive in addition one month's pay. Those leaving to assume home duties who have had five full years or more of employment in the Bank will also receive one month's pay in appreciation of their services.



## IF YOU ARE RELEASED:

*If you are asked to leave* the employ of the Bank you will be given the usual notice or pay in lieu of notice. You will receive any special compensation due you, but not vacation pay or service allowance.

*Dismissals are given careful consideration.* . . . If, for any reason, you are released, be assured that the circumstances have been thoroughly reviewed. Your supervisor or department head will have discussed the situation with you and with the Personnel Department. The Personnel Officer presents the facts to Officers' Council for its recommendation, or to the President for his action. In all instances of dismissal, the President must give his approval. If you feel that all facts have not been considered, you are free to discuss your situation with your department head and the Personnel Department.

## GROUP INSURANCE:

*If you leave*, group insurance will be canceled unless you wish to convert it to individual policies. There is no financial advantage in converting the group insurance, since you would have to pay the individual premium at your present age. Since the insurance on each employee's life is held jointly by three companies, after conversion you would have three policies, for the respective amounts held by the three companies. The only advantage of conversion is that no physical examination is required.

## UNEMPLOYMENT COMPENSATION:

Under the State Unemployment Compensation Act, unemployed persons who make proper application and are eligible for benefits receive weekly payments for a thirteen-week period to help bridge the gap between jobs.

The Bank pays a tax of three per cent on the salary of every employee up to \$3,000. annually, which goes into the fund from which the compensation is paid. When you leave, a report of your earnings showing reason for leaving is sent in.

To be eligible for benefits, you must have been laid off or dismissed from your job and show that you are willing to take another job. Application may be made for benefits at your nearest Bureau of Unemployment Compensation, and you will be asked to register for employment at the State Employment Office. You will need your social security card as identification when you apply.

## OTHER MATTERS:

Please discuss with the Personnel Department your wishes with regard to membership in the Hospital Plan (which may be carried on individually if you leave), and also your plans to complete any outstanding loans or other deduction authorizations.

*(The balance of the handbook contains matters of local interest only, the general nature of which may be seen from the Outline at the beginning.—Ed.)*



# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION  
Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 5*

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The Main Problem of the War is How, with the Least Disturbance of Social Tradition and the Least Damage to Post-war Development to Attain Maximum Production. Total Morale, Optimism and Pessimism, Complacency and Urgency are Vitally Important Factors in this.

# People *in* War Production

Digest and Commentary

BY CHARLES S. SLOCOMBE

Personnel Research Federation,  
New York, N. Y.

**W**HY was it that during the first years of this war, when England had lost most of her fighting equipment at Dunkirk; and her cities were suffering the most terrific bombardment, that strikes and man-days lost through strikes were increasing?

The country was for a time almost defenseless, with no significant amount of guns or tanks, no proper amount of anti-aircraft guns or ammunition, and too few fighter planes to beat off German bombing attacks, yet workers continued their work-stoppages in vital war industries. Why?

Then again when Rommel was beating back the British army in North Africa, the Russians almost looked as if they were going to lose the Caucasus, and the whole of Egypt and the Middle East almost looked lost, through lack of sufficient war materials, absenteeism in English war factories was increasing every month. Why?

## *Invasions Require Overwhelming Force*

**T**HOUGH, as after events have proved, these slowdowns in war production were and are only fragmentary in their final effect, the psychological reasons for their being at all are important.

These matters are important for America, for though we have not suffered attacks at home, we have had and still do have serious problems to face, which are vitally affected by our war material output.

Invasions of foreign territories in the South Pacific, North Africa, and the Continent prove that it is absolutely suicidal for troops to go in without overwhelming numbers of men, supplies, and aerial and naval support.

Invasion under any circumstance of inadequacy simply means tremendous loss of life, and failure, as at Dieppe.

And we must make those large scale invasions soon, with plenty of men, guns, ships, bombs and airplanes. For if Russia were to smack down the Germans, and conclude a treaty with them before we got there, America and England would be left holding the bag to beat Germany and the Japs. Not a pleasant prospect—but a possible one.

### *Our Own Situation*

IN THE midst of this situation, we have been in the midst of a major coal strike, cutting steel production; we have an evermounting toll of labor turnover and absenteeism; persistent loafing in some industries, notably in some shipyards is reported; some executives of some companies are being indicted for fraud against the government in carrying out war contracts. The recruiting drive for Wacs and Waves to help the Army and Navy, by doing jobs that release fit men, has been a failure; and though it is asked that about a million extra women go into war factories to help production and release fit men for service the number of women quitting war factories is about the same as the number taken on. Why?

The total effect on total war production of all these factors probably does not reduce it more than some percentage. Yet that percentage may be crucial in determining scheduled progress of military operations, and possibly the final outcome.

This whole problem of getting the absolute maximum possible war production has not been thoroughly studied in America. But it has been in England, and many of the results of their study should be helpful in solving our problems. So we digest their report here.

# I. Tongues Wag

THERE has been a great deal of criticism of war production inefficiencies. A great deal of this is based upon emotional feeling rather than on a calculation of the facts and realities.

Men blame management for pettiness and accuse it of various and assorted malpractices. Management blames men for pretending to want to work hard, while still putting small personal conveniences and economic interests before work. Among both employers and workers there seems to be a blend of self-interest mixed with genuine war intention.

Actually an analysis of hundreds of opinions expressed by all levels in war plants indicates that many alleged hold-ups and inefficiencies are not *proved* inefficiencies, when all the facts are taken into consideration. There is a definite tendency for each manager, each foreman, each worker to take a narrow view of production, and to think strictly in terms of his own little bit.

One of the principal problems in increasing industrial efficiency is the modifying of this attitude. For the more people know what they are doing, and understand it in relation to something wider than their own particular job, the less likely are they to be dissatisfied and critical of others.

## *Vague and Petty Talk*

MUCH of the talk about inefficiency is either vague or petty. It is very difficult to get specific examples of real importance. This indicates that most accusations of inefficiency in war plants can be discounted, though not neglected. (We should keep this in mind in America.)

Who does the criticising? The general picture is interesting. About eighty percent of top management is generally satisfied with war production. Plant managers and supervisors are less satisfied. Small company managers, particularly those on sub-contract work are again less satisfied. About half the workers are satisfied with output. Workers in war industries are more satisfied than non-war workers. Middle class people, in the professions, clerical workers, and others not in war industries are the most critical.

In all classes twice as many women as men are satisfied with the war effort. In fact women are found to be more satisfied in everything; more of them like their jobs; more of them think their jobs important; more of them are satisfied with their wages; less of them care about employers' profits; less of them care about any say in management; and less of them beef about long hours.



*Outsiders Bitter*

**N**OT only are more people outside war industry critical of it, but the things they say about it are more bitter. They seem almost to be actually antagonistic toward it. This is interpreted as due to the higher pay people are believed to get in war industry, some feeling of inferiority of non-war workers, privileges war workers have, and a fear that they will be pushed into war work.

Much of the criticism of war industry, particularly by outsiders centers around the subject of alleged high wages, particularly for youths. The newspapers play up these stories. Actually the facts are that, considering the hours worked, wages in war plants are not unduly high, though there may be a few cases of very high earnings, particularly in the building industry.

When asked what should be done to improve industry, the most frequently expressed idea is that it be nationalized. (We should watch criticisms in this country, as they inevitably increase the "nationalize industry" idea.)

*"This extensive belief in inefficiency, most marked among the better educated, better off and most responsible sections of the community, is in itself a factor operating (if unchecked) towards further inefficiency, through a general feeling of dissatisfaction and distrust—a bad morale."*

*Who Blames Who?*

**W**HO blames who? The general trend is more and more in the direction of blaming upwards. Large employers blame the government, there is a marked decline in their blaming workers; smaller employers blame the government and the large employers; managerial personnel blame top management and workers; salaried people outside war industries blame war industry managements; older supervisors blame workers, younger supervisors blame management; skilled workers blame the government for letting management get away with too much, and management for doing so; unskilled workers blame the government for moving people into industry, through conscription, in unsuitable ways.

Perhaps a more realistic view of this problem is seen in the statements quoted below from three company presidents.

(1) "All this talk about efficiency is overdone. Most firms always are and always will be extremely inefficient. A lot of people say we are exceptionally efficient. That's not true. We merely claim to be less inefficient than most. We claim, for instance, that our standard of efficiency is higher than that of the Ministry of Aircraft Production. We had a man sent to us from there the other day who filled quite an important job in the M.A.P. to help us in a management problem. We had to get rid of him after a week, he wasn't even second-rate.

*Veteran Minds*

WE FIND that the managements of several firms we have taken over since the war are considerably more inefficient than we are. There's a lot of old lumber in some of these factories, family directors, veteran minds of the industrial revolution you could call them. They can't be got rid of, and God help us, we have to keep them on even when we absorb the firm.

I doubt if it would be possible to increase our efficiency in any appreciable way under present conditions, especially as there's a drought of managerial personnel, and the existing management personnel isn't properly trained for the job in a lot of cases. Of course, there's no doubt that in some parts the working men and women aren't fully awake to the urgency of things. But I don't know if you can altogether blame them for that, when you think what has happened.' (One of the largest concerns in the country, engaged in numerous aspects of war production.)

(2) "I don't think things are as efficient as they ought to be, not by a long chalk. We industrial folk are always being told by the Government to worship the god of machine activity and labour activity. Everything ought to be kept going. That's what the shop stewards and people say too. It's phooey. We should be worshipping the god of maximum production, and only him. It's absurd to think of keeping all the men and women busy all the time, or of keeping all the machine tools going all the time. Even if you pretend that there isn't such a thing as maintenance which makes us have to keep some of our machines quiet almost half their life, there just isn't the labour force in the country, and a lot of what there is of it wouldn't stand the strain either.

I'm damned if I can see why it's considered appalling to have a person who has done no work all day. What's he got to complain about if he's getting paid.

*Need for Reserves*

REALLY, it's wise and sensible, it's essential to have him doing nothing all day provided he's deliberately doing nothing. What I mean is, he provides a bit of reserve, and one of the biggest problems we've got to face at the moment is the need for reserves. It's inefficient to have everyone working at any one moment. If you haven't a reserve force you may be completely done in the next moment. The idea that no time must be lost in a factory is just plain political exploitation, though it's often based on a management's inefficiency, I'll admit. But you don't expect a soldier to be using his gun all the time, or a journalist to spend the whole day writing articles.

Efficiency isn't ensuring that everything and everybody is working all the time. Efficiency is arranging the best use of people and machines so that you get the most of the best products in the end. The whole development of the idea that idle time in a factory is a sign of inefficiency is a dangerous heresy and obscures the real prob-

lem of efficient production. I'm mightily worried about that problem, but I'm very worried too by the way it's being heresied." (Factory on highly developed flow production.)

### *Workers Not to Blame*

(3) "Our figures show that we're using about 10% more man hours on the same products that we made before the war—we've been making some things the same for years so that we have something to judge by and we keep, as you know, very careful figures.

I think I can honestly say that as things go we are an exceptionally efficient firm, and we've got that reputation over years of efficient production. Using 10% more man hours on the job is something that I don't see how you're going to avoid. It comes from all sorts of things—out of the war. You can't blame the workers at all, and I don't think you can blame the management except that we've lost some of our best people into ministries and when we ought to have a better management than before and we haven't got it. The fact of the matter is, if I'm right, that it's impossible to be efficient now. For that matter it's always impossible to be efficient. Industry is just a constant struggle against inefficiency, because it uses fundamentally inefficient material—men, women and children. Industry is *trying* and everlastingly failing to teach people to be efficient, against their grain, and *against commonsense if you like*.

Why, having a baby is inefficient in war-time if you like. It's one of our main sources of labour wastage at the moment. But if we want a 100% efficiency just from the married woman end, in being available for work, we've got to cut out all babies for the rest of the war. If we did that, I think Hitler would have scored his biggest victory to date. One of the difficulties we're up against here and now is the juvenile labour problem and the preponderance of old men and women, which comes directly from our failure to keep up the birthrate before the war." (Head of a group of firms up and down the country mainly engaged on defensive weapons.)

## II. Bodies Produce

*"The talk of and about war industry has done much to produce certain dissatisfactions and distrust. This talk is sometimes based on production facts, sometimes on fantasies, sometimes on facts inadequately understood. Irrespective of accuracy or technical fact, the talk affects and alters both industrial and national morale. It influences those outside industry especially. The actual people inside and outside now require our attention, with special reference to the use that is being made of them."*

THERE is a great tendency, particularly for the uninformed to think that the solution of the manpower problem is to get every man under thirty-five in the armed forces, and everyone else into industry or administration. This sentiment neglects consideration of the fact that increasing the number of human bodies in the army or in industry does not necessarily produce more victories or more production. Quality is important.

Most workers in both war industries and non-war industries think their jobs important. (Even girls in beauty parlors justify their work on the grounds that women with fancy hair-dos help keep up national morale.) While from one point of view this feeling is all right, particularly for workers in war industries, it creates a tremendous labor resistance to compulsory transfer of workers from non-essential jobs to war work.

Less than half juvenile workers think their jobs important, even though on actual war jobs. There is a special need for improving the morale of juvenile workers, and getting them to feel the specific relation of their work to the war effort.

### *Essential Work Orders*

IN THE early years of the war English production was badly hampered because of high labour turnover; spiralling wages, because of workers shopping around; inability of many war plants to get the workers they needed; and in many cases very poor working conditions.

The only remedy for this, or at any rate the one adopted, was the Essential Work Orders, applying particularly to the industries experiencing the greatest difficulty. These orders restrict the transfer of workers from job to job and industry to industry. They also empower the government to shift workers from plant to plant, and from one place to another. They force better working conditions.

Though very unpopular with both employers and employees, by and large they have been successful in accomplishing what they set out to do, namely cut turnover, stabilize wage rates, improve working conditions and give a better distribution of available man power.



*What Will We Do?*

NATURALLY there is much criticism, in part due to the newness of the idea, in part due to the personal inconvenience to which many workers are put, and in part to the disciplinary and other difficulties caused to management.

(We are having increasing difficulty with manpower problems here, and it is beginning to appear that some form of labor conscriptive powers, wider than those of the present Manpower Commission will have to be put into effect. From English experience we can see the difficulties we will face, and can adjust our personnel methods and attitudes accordingly.)

Though in principle, as between men and women, there is equal pay for equal work, in actual practice it is almost entirely disregarded. The government does not observe it, most employers do not, and most trade unions are against it. So women workers "suffer".

*Best Type of Supervisor*

FOREMEN are differentiated into two classes. (1) Sympathetic and patient foremen, very often under 40, usually in sympathy with workers in cases of doubt. Usually called by their first names by workers, and exercising leadership in a co-operative spirit, especially over the women, and especially good with newer women. (2) The older type of foreman who has come up the hard way. His leadership is based on a strong approach and respect for authority. He is not too successful in dealing with women.

Foremen are found to be the most nervous and edgy of all the groups engaged in war production.

Though women workers in general are much less critical than men, they are twice as critical as men about their immediate labor relations. The sorest subject of all is women supervisors. Next is their criticism of placement. They say the best use is not made of the abilities of workers, there is too much favoritism, men are kept on jobs which women could easily do. There is much comment on petty tyranny of supervisors. Either they are more sensitive than men about this, or supervisors tyrannize women in ways that they could not get away with in dealing with men.

*Women's Work Preferences*

A SAMPLING of women's preferences in the matter of the type of work they would like to do gives the following preferences, in order of frequency:

Creative work (art, writing, etc.)  
 Secretarial  
 Nursing and medical  
 Housewife  
 Teaching  
 Administrative  
 Shop work (retail trade)  
 Professional  
 Domestic service

Only 5% mentioned some ordinary unskilled jobs in war industry.

These preferences are in striking contrast to the jobs most women are actually doing. Yet women are doing good work on routine factory jobs. Apparently the feeling that they are doing something for the war, plus the satisfaction in doing new sorts of jobs has helped them keep up their spirits, so far.

The fact that so many women are doing work which is far different from what they say they would like to do is a source of frustration, which if long continued may lead to lowered morale, reduced output and absenteeism, etc.

The general situation is, as regards women workers:

- 39% say they really like their present jobs.
- 36% are satisfied without being very enthusiastic.
- 11% are unenthusiastic, ranging through to definitely hostile.
- 4% condemn their jobs emphatically.
- The remainder are undecided or vague or apathetic.

### *Complaints about Employment Offices*

UNDER the system of labour conscription in use hiring of new and transferred workers is through the government employment office. Investigators are constantly met with complaints about the misplacing of workers, complaints by skilled and unskilled workers, foremen, union officials, personnel managers, and top management.

The government employment offices have had to expand their staffs very rapidly and have taken on not very highly paid people, this affecting their capabilities. The labour department has not made up for this by giving them more training and direction. So, much is left to them, and their bits of paper.

This is a very serious matter, for the gal at the employment office decides where a worker is to work, and at what job, and neither the worker nor the employer, to whom the worker is sent, can refuse. The worker may even be ordered to a plant 100 miles away. There is of course a method of appeal, but it is slow and cumbersome.

(If and when we get compulsory labor legislation in America, the first thing we should do is to see that the employment offices get competent well trained help. If the Manpower Commission is too busy to bother about this problem then industry should set to work as promptly as possible to train the government employees.)

The necessity for the conscription of women for war work was in part due to the treatment of voluntary women, at the time a campaign was put on to get women to volunteer for war work. In so many cases they were treated casually and even discourteously, and offered quite unsuitable jobs. So the number of volunteer women fell off to zero, and compulsion had to be introduced.

*The Blonde and the Brunette*

THE first influx was of semi-conscripts, i.e., women "directed" into war industry. Most of these were working-class—largely women from other industries not essential to the war effort. Latterly, with full conscription, an increased number of girls with no industrial experience, including girls used to clean and specialized jobs, are coming into the factories; these are becoming quite a headache to thoughtful managements. Two such girls are sent to an armaments factory, and described by a Personnel Manager in his diary:

*January 16:* See two more girls sent down from London. A striking blonde from a beauty parlour and a brunette from a gownshop, both in the West End. Capstan shop foreman afraid to put them on his machines; said they were too good a type. I was seriously concerned myself as our factory is an old shabby place and its sanitary arrangements of a very low standard. This last fact kept prodding at my mind all the time I talked to them. The blonde had had four years' training in massage, but no one seems to have thought of using this skill. Spent a long time trying to fit them in a job that would be reasonably congenial to them. They were very disappointed at our shabby factory. They had been told stories of nice clean new factories with everything up to date and all the modern amenities.

*Misinformation*

IT is a crying shame that these stories should be told. They are only true of the most modern factories. This place is full of old-fashioned shabby factories built years ago, and an enormous amount of war-work is done in them. Local factory class girls are used to them. But to keep these things dark from the good type, comfortably brought-up girls who are now being conscripted and to tell them stories which so many of their employers can't even make come true, is cruel.

Did my best to prepare them for a harder life than they'd been used to. They were, I am sure, willing to do their best, but it was a hard blow. Sent them off for the afternoon to fix up ration books, billets, etc., and had lunch.

*January 17:* Started blonde and brunette on their job. Myself, W. M. and Shop Superintendent all seriously bothered about them, and always came back to our *bête noire*, the sanitary accommodation. We could not contemplate these without genuine concern. Other consultations during the day brought to light a way of fixing these girls up with clerical jobs and a staff status so that better amenities would be theirs.

Mid-morning the blonde came to my office in tears almost and near breaking-point. The noise, the smell of oil, coupled with the nervous and emotional strain of the past day or two, had got her down. Spent another half-hour getting her calmed down, sent her home for the afternoon, told her to come in tomorrow when I'd try and wangle her a staff job.

*Individual Attention*

JANUARY 18: I am genuinely sorry for these girls, though their case is not so bad as that of men pitchforked into the Army. Conditions are so different from anything they have ever experienced before. Moreover these girls only emphasize how much short of what they should be are some of the facilities provided for them. Our canteen is not good, and we are trying hard to get a new management in. Lavatory accommodation such as most factory hands use without a qualm will revolt these girls. But with staff and men and building materials and floor space all at a premium we don't know how we can put it right fast enough.

I try to fit each girl to a job that will suit her and see each one personally. Individual attention seems the only good way. But I deal with 10-20 a week, and some factories with 100-200, and they can only handle them in the mass. Labour Exchanges handle them in the mass. How can harrassed officials listen to every personal detail and suit each one? They can only take refuge in routine and treat them as numbers or items on a list and not as persons.

*Production Reducers*

THIS report of English workers in war production then discusses part-time work, day nurseries, hours, earnings, overtime, rest pauses, absenteeism, shopping problems, discipline, health, accidents, feeding of workers, transportation, housing, and other similar problems. It shows how these problems arise, the difficulties in solving them and how they have been met. Unsuitable arrangement of these matters, as we know in America, has its effect in reducing production.



### III. Relations Determine

*"We have now indicated and attempted to analyse the wide range of actual influences operating on the human side in war industry. These human problems add up to a formidable total. If each is to be treated separately, as is at present the practice, the difficulties are very numerous, though nowhere insurmountable, under present conditions. Fortunately however, for those most able to make changes, those at the top, nearly all these problems are little more than different manifestations of the same central situation. It requires more strength and determination to deal with the situation centrally, but far less work and much more result is obtained than by dealing with each new manifestation as and when it arises."*

THE personality, ability and point of view of men in top management is the most important single thing in determining the human activities of a company. Generally these men are reluctant to make critical comments, but those that do are very antagonistic to government departments with whom they have to do business.

Strains reach their peak with management's anxiety about what will happen to the firm after the war. Management men talk about this problem more than any other section of the community.

The strongest single expectation people have about the result of this war is that after we have won it there will be an economic depression. This feeling weighs most heavily on the minds of those with money and position, and has a depressing effect on the incentive to make sacrifices to win the war.

#### *Effect of Profit Taxes*

THE Excess Profits Tax is also regarded as having a limiting effect on expansion of production capacity. 20% of this tax is credited, and is to be repaid after the war is over. But there is a general feeling that only part or none of this will be repaid, because of post-war circumstances.

(There is also provision for credit on a percentage of ordinary income tax of workers. Only one worker in ten expects to get all his credit, three thought they would get part of it, three were sceptical, two were sure they would never see any of it, and the rest did not know they were getting anything credited.)

Employers' campaigns against profit taxes have had a bad effect on the prestige of industry, and people with money. It has led to antagonistic counter propaganda to the effect that companies are not making sacrifices equal to those of the general run of people or the workers. Managements have not done very well in informing the public of their point of view.

*Conscription of Wealth Favored*

THE public antagonism to industrialists and the profit motive leads to the fact that ordinary people are six to one in favor of conscription of wealth. Ten to one are in favor of nationalization of mines, railroads and other essential industries.

While these questions increase the anxieties of management, they have led an increasing number, though still a minority, of industrialists to do some new thinking about the function of industry in the nation.

Eighty five per cent of workers interviewed think that the prospects of post-war employment in their own districts are poor. The worker's feeling that his efforts for victory will produce conditions personally disadvantageous to him is of immense importance, and adversely affects his incentive to work to win.

The idea of inevitable victory, promulgated by politicians and the press, has made many workers feel that they do not want very violently to end the war quickly by their efforts. In a sense these workers have an investment in the continuation of the war.

*Worker and Boss*

ALL the people engaged in war industry are human beings. Sometimes one wouldn't think so, hearing some of the more elderly directors talking about the artisans, or the Shop Stewards talking about the Works Manager. Like all humans, they have antagonisms and flare-ups. In industry these follow a more hard and fast formula than perhaps anywhere else.

Though they overlap at many points, there are clearly two distinct sides to industry, the side which decides what to do, and the side which does it. It is unnecessary to elaborate on this. But there is a special aspect of it which is becoming more acute. One side, the tellers, (the bosses) are temporarily in a position of being told too (by the Government). Their principal fear, and in some cases their principal mental preoccupation, is about getting out of this position after the war, into at least the same *sort* of position as 1939. The other side, (the workers) the doers of what they are told, have precisely the opposite concern. They *fear* the return of the same procedure as before. Those of them who think about these things, and who therefore lead the others, see in the present situation an opportunity to alter the structure of industry so that it cannot return to "normal". At the same time, their desire to win the war restrains them from fully exploiting the situation, while this in turn irritates them and sets up conflict.

*Old Enemies*

THE urge to beat the temporary enemy, the Axis, and the urge to beat the traditional enemy (the employer), mingle and muddle. When the situation looks as if we are bound to beat the Axis *anyway*—an idea the Government have for long

inspired—the impulse of the workers to continue their fight with the traditional enemy creeps up. When things look bad, this impulse goes down again. When things are more than normally bad, it goes down so far it comes out at the bottom. It is a barometer of the urgency of effort in war industry. The way it goes up and down reflects the lack, of any continuing, convincing morale policy.

### *Production Committees*

THE belief that it is the workers who press for a Works Production Committee is widely held outside industry, rather mistakenly. The *majority* of workers seldom show any initial interest in the idea. Once the idea becomes reality, it is considered to be good. Most workers do not in the ordinary way expect or anticipate social and psychological innovations in industry.

In one factory, the workers at first elected shop boys and the fools of the place among men and women, to serve on the Committee. It was over a year before they saw the advantage of the scheme and took it seriously. It is now a success; it was nearly killed. In another case, a shop elected the most stupid worker, telling him that he got paid for attending the meetings. He was upset when he found out this wasn't true, and resigned. The effect was actually favourable—the other members of the Committee were so angry that they made a fuss and woke people up to the value and purpose of the Works Committee.

Now that there is a good deal of talk about Works Committees, there is a tendency to think that just by setting one up something will be achieved. In our view, every works can benefit by a Works Committee, and the idea is capable of much further extension, *down* to the workshop and *up* to the town. But the Committee must grow from inside, be thought out and understood before being implemented. Organizations starting from the top are seldom so successful as those starting from the middle.

### *Nationalization Not Cooperation*

IN OUR sample enquiry, 5'6" of people spontaneously raised the need for more co-operation in industry, as compared with 23'6" for Nationalization, as the most important thing to be put right in industry. Co-operation is not an immediate thought of many people. There is no factory precedent for such a thought, and it does not seem immediately practicable.

### *Who Wants Welfare?*

WELFARE to any extent exists in about half of factories, at a rough estimate. But in a great many of these it is thought of as something *purely physical*. In others it is a system of "patronage". Least is done in West Scotland and South Wales. A girl who had just left a Midland factory famous for its Welfare to work



in another, said she was much happier in her new place of employment, because in the previous one "You couldn't call your soul your own, they *welfared you to death*".

The existence of Welfare in the form of social services within the factory is a move in the direction of making the factory more of a unity and co-operation group. But if we are even partly right in the points we have made in this report, the purely physical aspects of Welfare lose much of their successful application in producing a better works morale and eagerness. Only where the psychological and social sides are equally implemented, the effect is notable. Equally, anything merely "sent down from above", with a "this from the boss, you know", is less effective than if shared.

### *Carping Criticism Kills*

OVER and over again in this investigation we came across obstructions, suspicions, prejudices, directly impeding action, the necessity for which was fully agreed. Ultimately, all such obstructions impede the action on which all must be agreed who participate in this war, offensive action against the enemy. All this goes back to the simple fact that the necessities and urgencies of the present war have not been so strongly felt in industry that they have swept away for the time being the past and the petty.

The constant talk about each other's feelings in war production, and the constant emphasis on the things *that go wrong*, have played a major part in establishing the present picture, though this has naturally been an amplification of the tradition background.

Criticism is the life-blood of Democracy, but, by carping, Democracy may be bled to death. Democratic criticism implies an accurate statement and consciousness of responsibility for the *effect*; carping is the exploitation or exaggeration of arguments based on facts, in order to discredit someone, or to elaborate one's own feelings of anxiety. At the same time, those who believe there is something drastically wrong with the basic organization of industry are bound to comment upon it and try to change it, because they feel that unless they do so, war production will never reach a peak. This dilemma, which we will not pursue, is, of course, a characteristic one. Here it is relevant, in practical terms, because a good deal of this situation is the result of neglect from above. The Government have left industrial propaganda to those who care to indulge.

### *Industrial Propaganda*

WE WOULD venture to sum up the industrial propaganda situation like this: (1) So far, industrial propaganda has not been based on any clear conception, coordinated between all concerned, as to the frame of mind required from industrial workers. (2) There has been no proper measurement either of the need for the different propaganda actually used, or the effect of it when produced.



For instance, no amount of propaganda in factories can produce a feeling of urgency so long as the main national channels of opinion-forming are producing a feeling of complacency. What the propaganda industry needs most, is not propaganda of "pep" but of events, explanations, interpretations, information, to relate each and every individual to the total effort.

Behind all this there is the need for a clearer understanding in the public mind about the whole economics of war. The Government have not taken responsibility for giving an accurate picture of what is happening in this and other aspects of war economy, to serve as a yardstick and a background corrective to misconceptions. *There is no general picture of war economics in the public mind, and it needs to be there if people are to react fully and favourably to new demands, pressures, restrictions and taxations.* At present, war economics appear to ordinary people in disjointed, negative conflict and even chaos.

### *Mood in Industry*

1. The mental leadership of industrial war workers, and the influencing of their attitude to the job in hand, have to a large extent been left to groups of critics, such as the Shop Stewards' National Council, the Engineering Industries Association, and Opposition Members of Parliament.

2. Irrespective of the degree of accuracy of these criticisms in their origin, they have had a widely depressing and upsetting effect on industrial morale, especially on those least informed at first hand regarding the points of criticism.

3. Those who are satisfied, and Government and official quarters generally have done surprisingly little to counter this effect, or to keep it within constructive limits from the point of view of worker morale.

4. It is a good deal more difficult for counter propaganda to be effective when the situation has been allowed to drift and no adequate informed basis against which people can measure the point and purpose of criticism has been established.

5. But official apathy in the matter is also based (we say this after conversation with many officials) on a serious under-estimate of the extent to which the public are sceptical about war production.

### *Too Many Economists*

6. Further, many officials appear to be practically unaware of the relationship between production effort, output, long hours, regular work attendance, absence of trade disputes, on the one hand, and good industrial morale, feelings of satisfaction and feelings of progress through work, on the other. The notable degree to which the human factor in industry has been neglected is obvious.

7. The inadequacy of industrial propaganda is related to a wider inadequacy in the whole of "economic" explanation and interpretation of the war effort. This

partly derives from the predominant influence of economists in the Cabinet Offices and elsewhere, and the total absence of psychologists, sociologists, psychiatrists and anthropologists in high quarters in government and industry. The idea is still commonly held in high quarters that a strictly economic approach to human incentives is possible.

The Treasury has no misgivings in instituting a major social change, direct income taxation on manual workers, without pre-education or mental preparation—even, it seems, without a full advance diagnosis of the pure mechanical problems involved in getting out the tax assessments. Income tax is conceived as simply a matter for the Treasury, a way of raising money to finance the war effort. Unfortunately, as crudely handled, it is also a way (things being as they are in industry) of reducing the war effort at its source, the willingness and eagerness of the workers to work.

### *Too Much Ignorance*

8. Whereas in terms of the individual workman or female trainee, taxation, savings, hours of work and output are inseparably and inextricably related in one little piece, up till now they have been fragmented from the controlling end, in Government departments, individual utterances, *ad hoc* appeals and occasional partial explanations.

9. Ordinary people are profoundly ignorant as regards money, war finance, production and the surrounding problems of total war economy. This extensive and expensive ignorance is distinctly an obstruction to the successful implementation of new economic measures. The more the general economic structure, present and proposed, of the war could be explained to and understood by working people, the more they could be educated in those elements of war economy which lead to all-round steady, sensible attitudes and reactions.

10. Such leadership through information and context interpretation does not *reduce* sound criticism in any way. It does reduce emotional criticism and any form of frenzied feeling, which is seldom helpful in a war effort, and may be damaging.

11. *All this reflects a situation far from satisfactory to the war effort now and to national unity ahead, irrespective of technical and mechanical or administrative inefficiency; the human frictions, suspicions, reactions and irritations are so considerable as to generate (increasingly) a major problem on their own account.*

### *Conclusion*

THE research material does not suggest that any but a tiny minority in war industry are exploiting it selfishly, while many, notably women, are working with great devotion. The unsatisfactory elements in industrial morale are negative, not

positive. There is a lack, among many, of *the extra margin of urgency* which could cut out, for instance, every strike, most latecoming, a lot of labour turnover, absenteeism, pilfering.

At this stage of the war, a postscript by Sir William Beveridge (with his security plan) will not talk the nation into a new crusade. A new spirit can be obtained now either by a new achievement of arms (*i.e.*, the application of production results to the destruction of the enemy), or by a rearrangement of loyalties and relationships within industry, or focused from industry into a wider unity which is now lacking.

*The above is a digest, with extracts and comments, of a book titled PEOPLE IN PRODUCTION, by "Mass Observation," an English research agency for social science.*

*The book is strongly recommended to all executives, whether in war industries or not, and to government officials. For in it we see a full picture of the effect of policies, methods and legislation upon the war effort, and upon the views of people as to the extent to which they want industry controlled by government, during and after the war.*

*That we have many similar problems in America cannot be doubted, even though we do not have as clear a picture of our situation as this provides for England. In so far as we have such problems here, or can foresee their arising, this book presents an excellent guide to their solution—or prevention.*

*Copies of the book may be obtained from the New York office, Penguin Books, Inc., 245 Fifth Ave., New York, N. Y. The book is an abridged edition of a larger work, titled, ENQUIRY INTO BRITISH WAR PRODUCTION, published by John Murray, Ltd. Those wishing to study the larger volume should address their inquiry about it to Penguin Books.*



### *Notice to Office Managers*

Mr. W. H. Evans, Secretary Treasurer of the National Office Management Association will visit cities in the West, with the following itinerary; Denver, Oct. 21; Spokane, Oct. 27; Vancouver, Oct. 29; Seattle, Nov. 2; Portland, Nov. 4; San Diego, Nov. 10; Los Angeles, Nov. 15; Fort Worth, Nov. 19; Oklahoma City, Nov. 22.

Mr. Evans hopes to meet as many people interested in office management in these cities as possible. To learn place and time of meeting with him communicate with the Secretary of your local Chamber of Commerce or contact N.O.M.A., 2118 Lincoln Liberty Building, Philadelphia, Pa.

This is the First War Ever Fought as an Industrial War in Which Industry is Not an Auxiliary but the Main Fighting Force Itself. It is a Tough Job Getting Recruits.

# Meeting the Labor Squeeze

BY WAR MANPOWER COMMISSION

Washington, D. C.

*Getting and keeping an adequate number of suitable workers is going to be the toughest job, during the next year, that industry has ever faced. Before giving the views of the Government Agency on this subject we give extracts from a booklet published by the Industrial Relations Section of Princeton University, Princeton, N. J. which has compiled a handy booklet on how to make the best use of the workers you have, derived from a study of leading American companies. (The book is titled, "Maximum Utilization of Employed Manpower". Price \$1.00.)*

*The booklet is well recommended—it is not nearly as stuffy as its title. It tells industry how industry can help itself, without government aid or interference.*

## *What Princeton Says*

THE most valuable single source of unused manpower in America today lies within the labor force already employed in war industries. The best-informed observers agree that there is a tremendous labor potential still unused within Industry's own "backyard." This labor potential may well exceed the equivalent of five million man-years, not of the services of new, green labor, but of the services of men and women who are already a part of the experienced personnel of industry.

Full in-plant utilization of labor means that each worker is employed full-time at his highest skill under the best possible working conditions, and is producing at



the highest rate per hour or per day that can be maintained indefinitely by the individual. The effective utilization of employed manpower is a coefficient of three elements: (1) the general organizational efficiency of the plant, (2) the state of industrial relations, and (3) the efficiency of the individual employee. Each of these elements reacts on the others.

Maximum utilization of employed manpower is a goal which even the best managements are always seeking but never fully attain even during normal times. Maximum utilization means greater production, higher earnings, and earlier victory. For the employee, full utilization is by no means synonymous with greater sacrifice of physical energy, happiness and health, but implies a greater contribution to the war effort through the more effective use of an *optimum* daily amount of time and energy.

### *Interchange Experience*

**M**ETHODS of attaining the maximum utilization of employed manpower are a part of the ART of management. They are too complex and too variable to be reduced to a handbook SCIENCE. Each management must attack its particular problem of securing maximum utilization of employed manpower. It must be its own physician and if need be, its own surgeon. But the experience of successful managements in the development of methods can be of great help. Now, more than at any previous time, the interchange of experience is vital.

This small book is frankly an experiment. It has grown out of many conferences with industrial executives and government officials on methods of assisting war industries in their efforts to assure maximum utilization of a declining labor supply. The conclusion was early reached that efficient labor utilization is the product of so many factors involved in both general and personnel management that a research report on the subject would be a volume of prodigious size. Further, it became increasingly clear that the remedies for most causes of under-utilization of employed labor are already available in the experience of American industry, and that the present need was for searching self-diagnosis to determine which remedies should be applied.

### *Blunt Words Used*

**F**OR these reasons, this document has taken the form of an outline listing in blunt terms a wide range of symptoms or ailments which are likely to accompany or cause under-utilization. Stated negatively, the main headings may appear discouraging. But the outline is intended to raise questions which are better raised and answered than overlooked in the welter of present-day problems. Fortunately for the state of mind of both the reader and the writer, most of the *sub-headings* in the document outline positive steps, drawn from widespread company experience,

which have proved successful remedies for the particular symptom or ailment. Space has permitted but few constructive suggestions, however, and for this reason a detailed bibliography is appended.

If the company executive reading the document wishes, he can use the outline as a tool in diagnosing the problems of his own company, plant, or department. To aid in such "introspection," a summary check list is inserted. Should the task be delegated to others, additional copies of the summary may be obtained on request from the Industrial Relations Section. The Section's interest, however, is in providing a convenient tool for the job, and what is done thereafter is the company's own business.

# I. Best Use of Men

**B**ETTER utilization of our work force is the primary means of getting the manpower needed to supply productive establishments of the nation. Labor reserves in shortage areas have been exhausted, and the common lack of community services and facilities in such areas usually makes it impossible or undesirable to bring in more workers. In shortage areas, therefore, more effective utilization of the existing labor force is necessary if vital production schedules are to be met.

Where there has been rapid mobilization of manpower, utilization is not always at its highest level. This is not necessarily a reflection on employers. When a plant has expanded its labor force several times examples of ineffective use of manpower are certain to follow.

## *Plants on Priority*

**W**ITH the increasingly critical shortages of labor in various areas of the country, it becomes necessary that utilization procedures in these areas be more closely integrated with day to day manpower operations. For example, under the West Coast Program manpower officials will have to make decisions on the relative positions of plants on the priority referral list, the setting of employment ceilings, the characteristics (sex, skill, or other) of workers who may be referred to an employer, and the automatic issuance of statements of availability to an employer's workers. No decision should be made on these points without taking into consideration the effectiveness with which employers are utilizing the manpower already in their plants.

Knowledge of the effectiveness of labor utilization is extremely important. One great value of programs such as those of the West Coast and Buffalo is that they provide methods of dealing justly with employers. In any case in which an employer has his employment ceiling lowered or is taken from a priority referral list, such action makes it possible to provide workers to another employer, whose utilization record is better and whose manpower need therefore is more justifiable. Where production urgencies are equal, the plant with the better manpower utilization record and the proven manpower needs will rank highest on the priority list.

In the Buffalo plan, which has been in operation since June 14, the Labor Requirements Committee has refused priority standing to firms because of inadequate utilization of their labor force.

*Utilization Consultants*

THE manpower utilization consultants are responsible for conducting utilization surveys to determine how efficiently plants use their workers and the malpractices that exist. When a plant shows symptoms of underutilization, such as high absenteeism and turnover rates, low productivity per man-hour, or unplanned Selective Service withdrawals, the utilization consultant will be needed to assist management in determining the causes and to find methods of making improvements. In conducting this survey the utilization consultant will examine placement policies, transfer and promotion plans, plans for job simplification, working conditions within the plant, methods of supervision, scheduling of shifts, wage incentive systems, production scheduling and controls, and any other practices and operations within the plant that appear basic to manpower utilization.

In conducting utilization surveys and in putting their recommendations into effect, the consultant must secure the fullest cooperation of management, organized labor, labor-management committees, and interested government or private agencies, where they exist. When utilization surveys are made at the request of the plant, the consultant makes his recommendations to management. In the West Coast and Buffalo areas the consultant probably will need to make recommendations both to management and to appropriate local manpower officials. In these critical areas these officials will make their decisions as to referrals, employment ceilings, and issuance of certificates of availability, on the basis of whether or not these recommendations have been accepted and put into effect.

*Outside Factors*

SOMETIMES ineffective use of labor may be caused by factors which lie outside the plant and are not entirely subject to correction of management. For example, it may be shown that absenteeism and turnover are due in part to inadequate housing, transportation, shopping facilities, recreation facilities, medical, hospital and nursing facilities, child-care facilities, or to inconvenient hours for shopping, and visiting ration boards. When an investigation indicates that such factors as these underlie absenteeism (and to a considerable extent turnover) it is the function of members of the utilization staff to work with appropriate government or community agencies to overcome or improve conditions.

The Bureau of Manpower Utilization recognizes that there is ineffective use of labor in government establishments as well as in private enterprise. For that reason there is established in the Bureau a division of government agencies, composed of employees of the Civil Service Commission, whose function it is to encourage more effective use of federal employees. Such studies have already been made in a number of arsenals and air depots, and plans for expansion of the work are being made.

In addition to the utilization survey, two other important survey tools are available to management and employed by the Bureau of Manpower Utilization. They are the Manning Tables and the Occupational Analyses.



### *Manning Tables*

THE *Manning Table* represents one of the important developments of the WMC. It was inaugurated in the fall of 1942 and to date approximately 8,000 establishments essential to the war effort are now active participants.

The plan has the following threefold purpose:

1. Gives the employer a means by which he may present a complete and authoritative picture of the labor situation to the State Director of Selective Service in the State in which the plant or activity is located. It thereby provides the basis for withdrawal of workers at a rate that will allow time for others not suitable for military duty to be trained to replace them. It also provides a basis by which requests for deferment of those considered irreplaceable may be decided on facts rather than opinions.

2. The plan serves to crystallize problems of maximum labor utilization in the minds of employers. It points to practical solutions in so far as they can be found in the plant or through intelligent forecasting of manpower requirements.

3. The plan provides the War Manpower Commission and other governmental agencies concerned with manpower problems with reliable data for use in setting up coordinating programs for recruiting, training, and replacing workers.

### *Occupational Analyses*

OCCUPATIONAL *Analyses* are plant studies made as a service to management by occupational analysts assigned to the War Manpower Commission's field offices. The principal part of each study consists of a manning table, including a complete inventory of jobs in the plant, the training time required for each job, the number and sex of workers, the number of physically handicapped persons employed, the distribution of male employees by Selective Service status, and the estimated future labor needs.

A few examples of the work done by Bureau of Manpower Utilization consultants and occupational analysts follow:

#### *Case Histories*

AN EASTERN munitions plant, faced with the necessity of adding 2,000 persons to its labor force was having difficulty in maintaining employment at current levels. The plant was losing an average of 42 employees a day. An inadequate housing situation was further aggravated by the hostile attitude of the community, which feared that new residents would fail to comply with city regulations concerning conservation of water and garbage disposal. The time-keeping system and pay-roll procedure was muddled, personnel policies were apathetic and estimates of plant labor requirements were grossly inaccurate.

After a survey of the plant, manpower utilization consultants recommended that: (1) new executive personnel be hired; (2) an employee be charged with the

responsibility for determining the availability of housing accommodations in the community; (3) no clearance be accepted except where housing was available; (4) an employee be assigned as liaison officer between the plant and its employees and the community, so that all sources of friction could be removed; (5) a new ES-270 report based on a complete review of needs be submitted, and a full-time representative of the USES be placed in the plant to keep daily records of exact needs; and (6) careful exit interviews be inaugurated.

### *Absenteeism Cut*

THE recommendations were accepted, with the following results: absenteeism has dropped remarkably; turn-over has declined; separations have decreased from 42 to 12 a day; and the working force has been increased by 1,000, with a real possibility of reaching the desired 2,000 goal.

\* \* \*

At the direction of a regional chief of manpower utilization, an analysis was made of the replacement schedules of an important midwestern ordnance plant. The total labor force was found to be badly over-loaded with white-collar workers. More than 500 of such administrative and supervisory employees were released to war work elsewhere, without decreasing plant production.

\* \* \*

A company with a contract to build ship sections filed manning tables with WMC. When the contract was stopped abruptly, several hundred workers were released from the steel fabricating departments. At the same time, new contracts were approved for the building of wooden freight cars. After careful analysis of individual work histories, a large number of the men who had been working on ships were found capable of working on the wooden freight cars and also in the plant's bomb department. With the aid of the manning tables 400 transfers were effected involving 18 separate departments. If the tables had not been available, many man-hours would have been lost because of slower transfers and errors in reassignment of workers.

### *Oldster Does Good Job*

IN A food dehydrating and canning plant, a manpower utilization consultant studied production methods to see whether more women and older workers could be employed. He found filled cans being moved through a number of operations in hand trucks and suggested installation of a conveyor system. A month later he visited the plant and found the conveyor system operating efficiently. In one part of the plant a 67-year-old man is now doing work that formerly required four young men. Other food processing plants in the same midwestern area now have requested services of this consultation to advise on changes in methods which will allow use of more women.

## II. Go Get Your Women

**M**ANPOWER requirements for the year ending July, 1944, show that total employment and the employment of men will decline, but female employment must expand to 18 million with a net increase of at least 900,000 women workers if our manpower needs are to be met. In addition, another 200,000 women must be recruited for the Armed Forces. Although unemployment may drop slightly, it cannot be counted upon as a source of workers. Hence a sufficient number of women must be recruited from outside the present labor force to make possible a net increase of about one million.

### *A Million Gals*

**F**ROM July to January, no net increase in the total labor force is required inasmuch as agriculture will fall to a seasonal low during these months. This does not mean, however, that the task of securing an adequate number of women workers will be easy. In fact, the recruitment job to be done assumes tremendous proportions when the requirements are examined by broad industrial categories and the magnitude of necessary shifts within the labor force are revealed. Munitions industries, if they are to meet schedules, must expand the employment of women by one million between July, 1943, and January, 1944, and by 300,000 from January to July 1944. An increase of one million in these industries exceeds that experienced in any previous six-month period and is twice the expansion recorded between January and July, 1943. Although female employment in agriculture will drop very sharply between July of this year and January, 1944, very few of the women currently working at seasonal jobs on the farms will become available for munitions employment when no longer needed in agriculture. Other industries are expected to yield only 100,000 workers as a result of curtailment by January 19. It may be necessary, therefore, to recruit almost a million net additional women workers from outside the present labor force to meet the January requirements for nonagricultural employment.

### *Jay Workers*

**I**N TERMS of the expansion already accomplished, increasing the female labor force by one million appears not too formidable. Actually it will be extremely difficult to meet this goal unless the declining rate of increase in the female labor force experienced prior to the temporary June upswing is reversed. Net increases of necessity seriously understate the magnitude of the recruitment task which lies ahead, inasmuch as they make no allowance for the number of women who must be recruited to replace those who leave the labor market. Even under normal



circumstances, a sizeable part of the female labor force is composed of marginal workers who are attached to the labor market temporarily or intermittently. This pattern of entering and leaving the labor market is not only continuing but is being accentuated under wartime working conditions.

With no domestic help available, inadequate childcare facilities, shopping and marketing difficulties, all throwing tremendous burdens on the housewife who has taken employment, industry is having increasing difficulty in retaining its female work force. Since employment stabilization plans do not control movements out of the labor market the exodus of women from the labor market is unchecked.

A second factor which magnifies still further the problems of meeting requirements is the localized nature of the demand which is largely concentrated in labor stringency areas. In many shortage areas those women who could readily be drawn into the labor market are already employed, and even intensive recruitment may not be able to yield an adequate number of additional women. At the same time, other areas with considerable numbers of potential female workers lack employment opportunities.

### *Sources of Womanpower*

IT HAS already been pointed out that to meet requirements women must be recruited from outside the labor market, since neither the decline in agricultural employment nor the reduction in the number of unemployed can be counted on as a source for year-round workers. Curtailment in industries other than munitions at best will yield 100,000 women by January, and perhaps 300,000 more by July 1944.

A substantial contribution to the labor force has already been made by the youngest age group available for employment (14-19 years), which consists largely of students. By April 1943, the actual female labor force within these ages had exceeded the estimated normal labor force by close to one-half million, and it is questionable whether this trend can or should be expected to continue. It is estimated that over one-fourth of the abnormal wartime increase in the female labor force consisted of girls under 20 years of age.

### *Younger Women*

PRACTICALLY no net expansion occurred among women between 20 and 30 years of age, and only a 6 per cent increase of actual over normal employment is estimated for women in the next 5-year bracket. The insignificant net gains in the work force of women between the ages 20 and 35 may be attributed to the fact that many of the women not employed have child-care responsibilities. In addition the normally high work rates among women in these age groups would make further gains more difficult to achieve. Until recently, the liability of husbands to the



draft may have also acted as a check upon their entrance into the labor force. The first two factors will probably continue to restrict expansion in the female labor force within these ages.

Traditional age specifications will impose some limits on the use of older women as will their employability. Nevertheless, women over 45 years of age have been absorbed in employment to such an extent that it is estimated their actual numbers currently in the labor force are 20 per cent above that they would normally be. The full utilization of this reserve is important.

### *How About Housewives?*

AT PRESENT, the most readily available group consists of non-farm housewives between the ages of 20 and 55 without children under 16. This group as of April 1943 numbered 5.6 million which on a national basis appears to constitute an adequate reserve of potential women workers. However, in view of the localization of demand and the completely voluntary basis of recruitment, there is no assurance that an adequate number of women will enter the labor market where they are needed.

A growing tendency to increase part-time employment will offer employers a potential supply of labor which might not be available otherwise. Trade and service has always used large numbers of women for part-time work and this practice has increased with growing labor stringencies. Manufacturing industries have also recently initiated part-time work schemes which are proving successful. Female part-time workers, many of whom are housewives and some employed white collar workers have been used in light assembly work especially in communications equipment and aircraft parts establishments in New England and on the West Coast. Throughout the country, women are being recruited for part-time as well as full-time employment to meet the seasonal needs for harvesting crops and canning food products. Women who cannot adjust their other responsibilities to permit full-time employment without assuming an unreasonable workload should be channelled to whatever part-time employment opportunities are available in the community.

The War Manpower Commission has relied upon voluntary registration and recruitment campaigns to bring into employment the women who have been needed to meet expressed demands in specific areas.

### *Recruiting Campaigns*

SINCE the summer of 1942, the United States Employment Service has conducted aggressive campaigns to recruit women in scores of communities throughout the country. The majority of areas which are classified as Group I areas by the War Manpower Commission have had intensive drives with widespread publicity to bring all available women into employment. In many cities this has included a

house-to-house canvass conducted in some instances with the cooperation of employers and volunteer workers. Experience has shown that community-wide campaigns, conducted in advance of actual employment opportunities for the women who are available, should not be encouraged. Thousands of women, whom employers are not prepared to engage, change stimulated enthusiasm for a deeper conviction that there is no real need for their services. Therefore, since the beginning of this year, policies of the War Manpower Commission have sought to prevent general recruitment campaigns until the need was established and it could be shown that usual recruitment methods failed to meet employer needs. For this reason, very few areas classified as Group III or IV have had recruiting drives directed to women. Experience indicates that, after the women who can be more readily recruited have become employed, the employment of any further reserve depends on more than appeals and the women's willingness to work.

### *Stop Turnover*

UNQUESTIONABLY, far more women have been recruited into the labor market than net increases in the labor force reflect. Some movement out of the labor market cannot be avoided, but a considerable amount of this turnover might be eliminated. Recruitment activities will not produce the necessary net increases unless greater stabilization of the female work force is accomplished.

If continuation on the job and regularity of attendance is to be effected, greater consideration must be given to the special problems confronting employed women. This is particularly important as regards women with household responsibilities who have no previous work experience, since their employment involves the most difficult readjustments. In addition to appropriate induction, training, and orientation to the job—important for all new workers—adaptation of plant and community facilities and services bear a direct relationship to the stabilization of this group in the female work force.

In effecting adaptations for women with household responsibilities, various types of programs must be developed. These include:

### *Part Time or Split Shift Arrangements*

SATISFACTORY programs have been worked out at Pratt Whitney Aircraft in East Hartford, Conn., where a full shift is manned by a team of two workers, each working four hours a day, six days a week. At the Richmond shipyards in the San Francisco Bay Area, it has proved effective to put a husband and wife on the same shift.

### *Medical Care*

WHILE it is generally recognized that adequate provision must be made for care of industrial accidents and illness, new aspects of this program have been emphasized as increasing numbers of women have gone to work. Pre-employment

or pre-placement examinations are necessary so that women will be assigned to jobs that do not require excessive expenditure of energy or body strains which jeopardize future health. Through examinations early cases of pregnancy are detected, and proper job placements can be arranged.

A western aircraft plant, for instance, has a very extensive program for preventive medical care. Two doctors and eleven nurses constitute the medical staff and preventive methods rather than curative programs are stressed. Periodic check-ups are made for employees with suspicious chest conditions, rigid pre-employment examinations are given, a Wasserman test is given yearly to each worker and a physical examination is required upon return to work from illness.

### *Eating Facilities*

SOME plants have already recognized that the way in which food is served has a definite effect upon the morale and productivity of workers. This is particularly true among women and some adaptation of menus has been initiated to meet this problem.

Minneapolis—Honeywell designed and decorated the plant cafeteria so that it would be as cheerful and pleasant as possible. Mobile units are used to take food throughout the plant so that hot meals are available for those who do not wish to patronize the cafeteria.

Douglas Aircraft, Los Angeles, has a highly organized industrial feeding program and the mobile canteens and many cafeterias are extensively patronized.

### *Counselling*

PLANT management has become increasingly aware that counselling services particularly for women workers assist in resolving personal difficulties connected with adjusting to a work situation, or in satisfactorily solving problems at home which make continuation of employment difficult. Such services also must be available in the community and often it has been found expedient to have personnel counsellors attached to child care centers.

In Des Moines, Iowa, a counselling service was established by the State Division of Child Welfare in the employment office to advise and assist mothers with their child care problems. The aircraft plants in Southern California have employed large staffs of personnel counsellors who are readily accessible to workers and who have proved of great assistance in keeping women on the job.

### *Child Care*

THE provision of adequate facilities and supervision for the care of children during the hours a woman is at work has received wide-spread attention among local community groups and through the press.

In New Orleans, following an Office of Civilian Defense survey which ascertained the number of mothers who would accept employment if child care were



provided, a plan was established both for nursery schools and extended school programs under the auspices of the city. It is estimated that at least 300 women accepted jobs as a result of this activity. A similarly successful plan was carried out in Shreveport, La.

### *Shopping*

THROUGHOUT the country individual communities have made many adjustments to enable women war workers to do their necessary shopping without interfering with their jobs. Banks have participated in such programs and some have established a complete banking by mail system. By establishing branch stores on company property or adjacent to the plants workers can make certain types of purchases without the necessity of taking time off. This has proved a successful venture, at Vultee Aircraft, Downey, Cal.

In four large war plants on Long Island a representative of the plant personnel office accepts lists of wanted articles in accordance with daily advertisements of New York stores. This information is relayed to the department store whose representative then calls at the plant with samples from which the employees may order. Delivery is made directly to the workers at the plant. The shopping service initiated at the Pentagon Building, Washington, D. C. has proved very successful. Purchase orders are given to personal shoppers who in turn arrange by phone for delivery of the desired items from Washington department and speciality stores to the Pentagon Building the following day.

### *Commercial Services*

FUEL and food distribution services, laundry and dry cleaning have become increasingly important and in order to perpetuate these services, assistance has been given by the WMC in recruiting and stabilizing workers in retail trade and service establishments. Minimum standards have been developed in connection with designations of "locally needed" activities as a part of employment stabilization programs. Recruitment drives have been successfully conducted and the local United States Employment Service office in Washington, D. C., has recently been effective in securing additional workers for commercial laundries. Unless such services are provided, women workers of necessity must take time off to do the family laundry.

The problems discussed above have been approached particularly with reference to utilization of women. In many respects they are equally pertinent in the utilization of all war workers. There are, however, other problems which influence the productivity of all workers. These include adaptations necessary in order to provide transportation so that workers can get to and from their jobs without excessive expenditure of time and energy, schools so that children of war workers can be accommodated, recreation, housing, and medical care.



*Manpower Commission Explains Itself*

IN THE War Manpower Commission, the responsibility for developing programs and procedures to meet the problems discussed above lies in the Bureau of Manpower Utilization. Analyses are made of all the problems which affect the productivity and efficiency of workers and which, if unmet, result in increased turnover, absences, and withdrawals from the labor force. After a determination is made of the problem, a program is developed to meet these needs. The operation of these programs is usually the function of other federal agencies; the War Manpower Commission works with the appropriate agency in adapting or expanding its program so that the necessary services are provided.

In those fields where the War Manpower Commission has a direct responsibility, policies and procedures are developed for the use of the field staff. It should be emphasized that although the concern of the War Manpower Commission lies primarily in identifying the problem and in directing the appropriate agency to solve it, this agency's responsibility is not discharged until a successful solution is found.

The Senate Nearly Threw Out the FSA in the Last Session. The Fact that They Did Not May be Attributed, at Least in Part, to the Competence of the Agency's Personnel.

# FSA Employee Training

BY JOE J. KING

Farm Security Administration  
Portland, Ore.

FARM Security Administration in the Pacific Northwest is pioneering in new techniques for employee training. Some of the techniques are frankly borrowed from the "Training within Industry" program of the War Manpower Commission. Others are being created from materials within the agency. All are showing a promise of permanent value.

Students of the *Personnel Journal* should have an interest in a brief review of this energetic training program for about 450 FSA employees in the Pacific Northwest. The program is divided into two main divisions: induction training and in-service training. Both divisions are designed to fit in with the characteristics and functions of the agency.

## *Very Small Offices*

THE FSA organization in the Pacific Northwest possesses characteristics which complicate the introduction and operation of a training program. To begin with, the 80 County FSA offices are widely scattered over Idaho, Oregon, and Washington. No county office has more than seven FSA employees; and many, only two. A regional office in Portland, Oregon has about 70 workers. Except for ten district supervisors, who may visit a county office only once in two weeks, employee relationships in the field are mainly by letter.

Next, FSA makes heavy demands on its employees, particularly county office supervisors. The agency is something more than strictly a rural credit organization. In brief it assists underemployed and small farmers, unable to obtain financial

aid from any other source, to participate fully in the war agricultural drive. This requires employees with considerable depth of human experience and technical training. Above all it requires workers who are capable of understanding the meaning of "rural poverty" and how poverty affects farm people.

Third, war restrictions on available men is compelling the use of women in county supervisory positions. In the past FSA employed men as county rural rehabilitation supervisors and women as county home management supervisors. Today, however, the agency is using women as associate FSA supervisors and in some cases is actually placing women in charge of county offices.

### *Sharp Fluctuations in Work*

FOURTH, the flow of work in county offices is subject to sharp seasonal drops and raises. During the late winter and early spring months, the supervisor is rushed with loan applicants; in the summer and fall months he is busy with farm supervision; and in the winter he is helping borrowers to develop farm and home plans. His work is always changing with the seasonal changes in agriculture.

Fifth, personnel recruits from the state agricultural colleges are usually well prepared in physical agricultural sciences but weak in business administration and social sciences. This circumstance, when viewed in terms of the agency's function, is the reason that induction training is virtually a necessity.

Sixth, county FSA offices as a rule are located in small rural towns. The supply of well trained clerical and stenographic help is decidedly limited, particularly in war times when the more competent have frequently migrated to cities in search of high salaries.

Finally, FSA is a federal agency entrusted with public money. If a new employee is unacquainted with governmental employment and lacks basic induction training, he is apt to be confused with a resultant breakdown in his morale and efficiency.

Mindful of these facts, the agency early established a regional training committee of five members. The committee consists of the regional director as chairman, the personnel officer as secretary, and three other regional staff representatives. This committee meets regularly once a month. It plans and develops the training program. The personnel officer is instructed to see that the program operates.

### *Induction Training*

INDUCTION training is given to all new clerical and supervisory FSA employees. New clerks prior to employment have passed typing and dictation examinations. As soon as they go to work in a county FSA office, they are provided "training on the job" and are given a brief insight into the various phases of the total FSA program. They are also instructed on the use of procedures and forms. Above all,

they are helped to have a clear understanding of all the transactions which take place in the office. Clerks make a great many contacts with office visitors. Furthermore, because the supervisory personnel devote a considerable portion of their time to working with farmers on their farms, the clerks must be capable of exercising independent judgment in uncommon situations.

New supervisory personnel are always assigned to a well established county office for a two or three week conditioning period. In that time they "get their feet wet" and recognize how little they know about FSA operations. They are then enrolled for a two weeks training course at the regional training center, Emmett, Idaho. There the regional training officer, who is also an unusually successful county FSA supervisor, instructs the trainees in FSA theory and practice. The outline of the course is carefully worked out with specific hours and days devoted to various phases of the FSA program. Both office routine and field supervision are included.

After the training course is completed, the inductee returns to his official station. The regional training officer forwards a report on the inductee's performance at the school to the district supervisor, indicating both his weak and strong points. A month or so later the regional personnel officer checks with the district supervisor to ascertain the progress of the new employee. By that time it is expected that the period of induction training will have ended.

### *In-service Training*

**I**N-SERVICE training is also carefully planned for all FSA employees. The programs vary somewhat among county clerks, regional office clerks, and county supervisors. Among the field clerical force, in-service training is conducted largely by eight administrative supervisors. These administrative supervisors are responsible to the Regional Director. Their function is to help field personnel make the most effective use of the "FSA tools" which are at their disposal. Actually they are efficiency experts. As one part of their broad assignment, the administrative supervisors regularly teach the county clerks, methods for improving office routines and procedures. It is basic training on the job.

Among the regional office clerical force, in-service training is conducted mainly by the personnel officer. Classes on dictation, typing, letter-writing, etc. are held at periodic intervals. The classes usually consume an office hour in the morning and run for a week. Recently a week's school on methods for improving office efficiency was held in the regional office. The school included courses on telephone manners, attitude toward the job, personal appearance, work planning, etc. Representatives from local business colleges and private firms participated in the instruction. Once or twice a year a series of lectures and discussions are provided on the FSA aims and objectives.



### *County Supervisors*

COUNTY Supervisors receive in-service training in two major ways: staff meetings and correspondence. One is verbal; and the other written. Once a month in each district the county supervisors gather together for a one-day staff meeting with their district supervisor. It should be noted that the district supervisor is an administrative officer, issuing work orders; and the administrative supervisor is an office management expert, providing assistance on ways to accomplish the work orders. At staff meetings instruction is provided on one or more subjects, such as loan processing, development of farm and home plans, organization of health associations, efficiency rating procedures, assistance to cooperatives, methods of improving farm tenure, ways to aid tenants purchase farms, administrative techniques, relationships on the USDA War Boards, etc. In passing it is worthy to mention that the regional training committee is now discussing a proposal whereby "weak" county supervisors will be provided with a short refresher course at the Emmett training center.

In-service training by correspondence is chiefly accomplished with the cooperation of the U. S. Department of Agriculture Branch Library. The regional training committee and the USDA Branch Librarian prepare several packets of literature which are of instructional value to county supervisors. Packets are circulated among county supervisors. As soon as all county FSA offices are covered by one set of packets, they are recalled. New packets are then assembled and dispatched on their rounds.

### *Summary*

IN CONCLUSION, this may be said: Farm Security Administration in the Pacific Northwest has organized a strong and active employee training program. It has done so to achieve four major objectives: (1) improve employee morale, (2) reduce labor turn-over, (3) speed operations, and (4) explain to FSA employees how their agency and its borrowers are participating in the total war drive.

These significant objectives will hardly be reached overnight. But an encouraging start has been made. Definite progress for the future seems assured.

# News Notes

## JOB ANALYSIS

The June issue of the *Journal of Applied Psychology* contains a comprehensive resume of job analysis and a very full list of articles and books on the subject for almost all occupations and jobs. (There are 400 references given.)

The magazine says:

"An extensive survey of job analysis literature reveals there are approximately 20 uses for job analysis information: (1) Job grading and classification; (2) Wage setting and standardization; (3) Provision of hiring specifications; (4) Clarification of job duties and responsibilities; (5) Transfers and promotions; (6) Adjustment of grievances; (7) Establishment of a common understanding between various levels of workers and management; (8) Defining and outlining promotional steps; (9) Investigating accidents; (10) Indicating faulty work procedures or duplication of effort; (11) Maintaining, operating and adjusting machinery; (12) Time and motion studies; (13) Defining limits of authority; (14) Indicating cases of individual merit; (15) Indicating causes of personal failure; (16) Education and training; (17) Facilitating job placement; (18) Studies of health and fatigue; (19) Scientific guidance; and (20) Determining jobs suitable for occupational therapy."

The article is by Joseph E. Zerga. It is on p. 249. A copy of the magazine may be obtained from The American Psychological Association, Inc. Northwestern University, Evanston, Ill. The price is \$1.25.

## ENGLISH WAGES

(From the *London Times*, England)

The Ministry of Labour and National Service is gathering at six-monthly intervals statistics of actual earnings—as distinct from wage rates—in a wide field of industry. Its latest investigation was made in January and the results appear in the June issue of the *Ministry of Labour Gazette* published to-day.

The figures relate to manufacturing industries with 6,250,000 workpeople. Important industries not included in the inquiry, because they are not manufacturing industries, include coalmining, agriculture, the railway service, merchant shipping, the distributive trades, the catering trades, and domestic service. In some of these industries the facts would be difficult to obtain.

In the manufacturing industries the average earnings in the last pay week of January and the percentage increases since October, 1938, (the latest pre-war date for which particulars are available) are shown in the following table:

	EARNINGS		INCREASE
	s.	d.	
Men (21 and over)...	113	9	64.9
Youths and boys	45	1	72.8
Women (18 and over)	58	6	80.0
Girls	32	1	73.4

A shilling s. is worth about twenty cents. A penny d. is worth a little less than two cents.

The Ministry points out that these are general averages embracing all classes of manual wage-earners, both skilled and unskilled. The percentage increases represent the combined effect of (1) increases in rates of wages, (2) fuller employment with more working hours and more extended working on night shifts, (3) extensions of systems of payment by results, and (4) changes in the proportions of men, boys, women, and girls in different industries and occupations.

Increases in wage rates have been an important but not a preponderant factor in the general increase of earnings. The average level of rates of wages for an ordinary week's work, exclusive of overtime, was about 26 per cent or 27 per cent higher last January than in October, 1938, and the remainder of the increase of about 65 per cent, as shown below, in the earnings of all workers between the two dates must be attributed to the effects of the other factors.

In the table below the increases are shown in stages:

	MEN		PER CENT	WOMEN		PER CENT	YOUTHS AND BOYS		PER CENT	GIRLS		PER CENT
	s.	d.		s.	d.		s.	d.		s.	d.	
October, 1938	69			12	6		26	1		18	6	
July, 1940	89		29.1	38	11	19.7	35	1	34.5	22	4	20.7
July, 1941	99	5	44.1	43	11	35.1	41	11	60.7	25	0	33.1
January, 1942	102	0	47.8	47	"	47.1	42	6	62.9	26	1	45.0
July, 1942	111	5	57.1	54	2	66.7	46	2	77.0	30	3	63.5
January, 1943	113	9	64.9	58	"	80.0	48	1	72.8	32	1	73.4

Averaging the figures for all workers, earnings in October, 1938, were 53s. 3d. and in July, 1940, 69s. 2d., an increase of 29.9 per cent; in July, 1941, 75s. 10d., increase 42.4 per cent on the earnings of October, 1938, in January, 1942, 77s. 9d., increase 46 per cent; in July, 1942, 85s. 2d., increase 59.9 per cent; in January, 1943, 87s. 11d., increase 65.1 per cent.

## LONGER WORKING HOURS

The figures for different industries vary widely. For men in the paper and printing group of industries the average percentage increase of weekly earnings was 28 per cent, while in the metal, engineering, and shipbuilding group it was over 75 per cent. For women the average increases ranged from 37 per cent in the paper and printing industries to nearly 100 per cent in the metal, engineering and shipbuilding group.

In regard to working hours the Ministry points out that in establishments producing munitions the weekly hours worked during the war have been greatly in excess of those worked in 1938, and with the extension also of piecework and various forms of bonus payment the increases in earnings have been more than proportionate to the additional working hours. The extra charges have been spread over a larger output.

It has already been stated that coalmining is one of the industries outside the scope of the inquiry. Information collected by the Ministry of Fuel shows that for all classes of workpeople engaged in or about mines, including boys, the average earnings for each shift were 18s. 10½d. in the three months ended last March, and this, compared with 11s. 5¼d. in the corresponding period of 1939, showed an increase of approximately 65 per cent.

## ABSENTEEISM

*(From CIO News)*

An American employer has recognized that CIO has come of age! Recognition this week took the form of a unique agreement between the Mine, Mill and Smelter Workers Union and the Aluminum Co. of America, providing that the union is to be responsible for combatting absenteeism and reducing labor turnover in the plant.

The precedent-shattering agreement was announced by Dr. William P. Edmunds, Cleveland area director of the War Manpower Commission, who said that he felt certain "that labor would carry the ball and do a good job."

Provisions of the agreement, as outlined by MM&S Intl. Representative Herman Clott, include:

1. Absentees will be interviewed by union representatives in private offices provided by the company to try to uncover the basic reasons for absences.
2. The company will keep the union fully informed as to absences.
3. No employe will be given a job release until union representatives have discussed the matter with him and have tried to prevail upon him to stay on his job of producing vital war materials necessary for plane construction.
4. The union chief steward will meet with new employes to explain how the plan operates.
5. The workers, in collaboration with management, will investigate the possibility of using incentives and competition to attack absenteeism.
6. The all-worker committee which will administer the program will have the right to use company bulletin boards to post any publicity it finds necessary for its campaign.

Clott, in behalf of the union, said that it would do everything possible to aid war production and combat absenteeism.



# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION  
Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 6*

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Today's Severe Labor Shortage Makes It Important to Know Exactly What You May and May Not Do in Giving Pay Increases. Penalties Can Be Avoided by Knowing and Granting Allowable Pay Increases.

# Job Evaluation *under* Wage Stabilization

BY C. CANBY BALDERSTON

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THERE is a little chapel in Germantown, a suburb of Philadelphia, which has a sign over the door reading as follows: "The Wages of Sin Have Never Been Reduced." Observing it, a Philadelphia executive remarked, "Perhaps that is the reason sin has never had a strike."

I couldn't help but be reminded of that sign when I contrasted the subject of today's discussion with the subject of a talk two years ago. That topic was "Payroll Flexibility," which in normal times is of fundamental importance to each firm, and to the nation as a whole, because the flexibility of total payroll helps each business to survive, or at least to remain competitive.

## *Pants, Coat and Vest*

NOW we are considering another aspect of wage administration, namely, how you can evaluate jobs and establish wage schedules under a wage "freeze." The present dread of inflation causes the nation to seek wage stability with only a minimum amount of flexibility.

You have heard the story perhaps of the pants, coat and vest. The hourly payroll has been likened to the pants, "absolutely indispensable"; the overhead payroll to the coat, "can be taken off or removed when things get too hot"; the administrative payroll to the vest, "ornamental and sometimes collects the gravy."

This discussion will have to do with the pants and coat, but I will have little, if anything, to say about the vest. Nor are we going to discuss wage stabilization and inflation except to remark that the choice is between national belt tightening

that is systematic and controlled, and chaotic belt tightening which is the result of inflation.

It is not necessary to argue that a war of the magnitude of this one makes a reduction of our standards of life inescapable. That our standards will fall has been prescribed already by the god of war. We can do nothing about it. It is within the power of our government, however, to decide how the hardships are to be apportioned. Ineffective action leads to inflation, the ruthless destroyer of the middle class and the fruits of democratic capitalism, the enemy of the widows and the little people who have hoarded their savings.

I will begin by indicating the type of wage program that might be considered sound in peace time, and then analyzing how much or how little of this program can be developed at the moment.

### *The Conflict of Desires of Workers*

SINCE wage administration touches the emotions of men as well as their pocket-books, it is important to recognize the essential difference between basic compensation, by which I mean base rates and salaries, and incentives. This difference touches a fundamental conflict in the desires and thinking of employees, the desire for security on the one hand, and for incentive rewards on the other.

Under a completely developed plan of wage administration, base rates will be set systematically and with care, because to the worker they are part of his protection as well as a reflection of his status in the company. Incentive pay would also be used wherever possible in order to draw forth from each individual his best efforts and initiative. The incentive rates should likewise be set systematically and with care so men in similar work will know that their incentive pay reflects their individual performance accurately.

One approach to wage setting is to ask yourself, "What are the motives that influence most workers?" One is the desire for money for what it will buy. A young negro boy used to get \$22 a week, of which he spent \$20 for his living and \$2 for liquor and was happy. Recently he has been earning \$72 a week in a shipyard, of which he spent \$20 for living and \$52 for liquor. He decided to quit because the job was alright, the pay was alright, but in the old days of \$22 pay he could consume the \$2 worth of liquor and remain healthy and happy. Now he can't stand the \$52 worth of liquor.

### *Base Rate a Mark of Status*

ANOTHER motive that causes people to work or not to work is the fear of losing their jobs. This fear is deep rooted and powerful, and ever present. Another is the desire for status,—status among one's associates and acquaintances—in the company or office. The necessity of giving workers a sense of status has a direct bearing on wage policy because to many workers, if not to all, the base rate differen-

tiates their job from the job of their associates. Their base rate is a mark of status in their eyes.

There is still another motive,—the desire to get ahead. It influences, or should influence our whole promotional plan and our thinking as to where incentive pay is applicable.

### *Individual Differences*

PSYCHOLOGISTS have noted that some workers are twice as efficient as others in the same department. You have doubtless seen the efficiency reports from shop and office departments that tend to bear out this general statement. I hesitate to impose a generalization upon you for it has been said, "All generalities are usually false, including this one," but there are individual differences in human ability, and in performance. The best worker is likely to be twice as efficient as the worst. If you keep in mind this theory of individual differences, you should leave unexplored no practical opportunity for the use of incentive pay. Incentives haven't been used as greatly as they might have been.

It has been said many times that wages are at the heart of sound personnel administration. This is a point that should be emphasized over and over again. Good wage administration is not a substitute for sound industrial relations; it is at the heart or core of the problem, however, and all the other things you do are affected by it. Wage administration cannot therefore be ignored if you expect to have a well rounded personnel program.

What are the objectives of the wage program that we would like to use in peace time? The objective would be three-fold. The first is to establish a satisfactory internal alignment of base rates in accordance with the relative difficulty and responsibility of the jobs.

The second is to maintain a satisfactory relationship of the general level of rates within the company to the general level of comparable rates in the community from which the employees are drawn.

The third is to employ incentive pay where performance is measurable and tasks can be set with consistency.

### *Research Necessary*

TO ATTAIN these three objectives requires certain procedures or techniques. The first of these techniques might be described as fact finding, or analysis; the second, the daily application of the result of the analysis in the handling of operations. The research portion includes job analysis or job evaluation, and the setting up of a schedule of base rates or salaries. It also includes the standardization and time and motion studies necessary to set task times or piece rates that are consistent



with each other and that match the operating standards that have been created for the office or for the plant. The research portion of this program will therefore include job analysis, leading to a schedule of base rates, and a time study program leading to task times or output standards.

Returning now to this systematic wage schedule, what steps would be involved in creating it? You would first make an accurate description of the job content of each payroll title. If you have 100 designations you would need 100 job descriptions. Second, you would make an evaluation of each job in accordance with its difficulty and responsibility either by ranking or by rating, or better by both methods. There is no God-given accuracy about the process of job evaluation, because the result merely represents the consensus of a group of informed individuals, nothing more.

Third, you would determine the market rates for the community and/or the industry.

A wage schedule should combine the internal alignment resulting from the evaluation step with the general level of rates for the community resulting from the market survey. The ladder diagram or internal alignment that results from your job evaluation is married with the general level of rates obtained in the community from which you draw your help. The combination gives you your wage schedule for your plant. The wage schedule then becomes the systematic guide for the setting of rates for individual employees.

## *Pricing Jobs*

THIS final step described as the marriage of the results of two other steps, is in reality the pricing of jobs, i.e., the setting of a single price or of a price range for each one.

In view of the wage freeze orders 9250 and 9328, how much of this program can still be carried out? If a company's rates have not yet been increased by 15 per cent above the level of January 1, 1941, then the entire program can be followed. However, the increase in general company level must obviously be limited to 15 per cent under the Little Steel Formula.

## *Breakdown of Jobs*

IF, HOWEVER, a company's rates or salaries have already been increased by the full 15 per cent, then its ability to improve the internal alignment of its job rates or salaries is restricted. Since the wage freezing order eliminated the opportunity to correct inter-plant inequalities, what can you do? If you already have a wage schedule developed systematically by job analysis and evaluation, you can be devoutly thankful because you have in your hands an instrument which will serve you well in

the troublous days ahead. Suppose you haven't! Even if your rates are out of alignment internally,—as they may be, —some significant gains can still be made. The making of careful job descriptions may be accompanied by the analysis of each position or job in order to study the relation of the job content as it now is upon the requirements for hiring.

For instance, because general construction inspectors could not be obtained this job was broken down into excavation inspector, plumbing inspector, etc., for which the hiring requirements would be more narrow.

A drafting job was broken down so women could master the work more quickly. It was the job of drawing topographical maps. These maps involve 5 plates, brown, blue, red, and so on. Some of the plates require contour lines, and some straight lines. The breakdown of this drafting job has permitted the women with curves to draw the contour lines, and other ladies to draw the straight lines that are used to represent longitude and latitude.

Your jobs, as now constituted, may involve too great responsibilities for the people that can be hired. The job content may be too great; the duties too varied; the responsibilities too wide, and too heavy. In short, the jobs may not match the powers of available men and women, and analysis of the job content should then result in new job descriptions with hiring specifications that will make the employment problem more easy.

### *Regrading of Jobs*

**D**ESPITE the prohibition against rate increases to correct interplant inequalities, jobs may be regraded or re-evaluated if their job content changes. Since the job content may very well be reduced to facilitate hiring, —the result of the creating of new descriptions reflecting new combinations of duties may provide a basis for correcting some of the worst cases of internal malalignment.

How many of the steps towards the developing of a first class schedule of salaries and job rates can still be taken?

1. The making of job descriptions is still O.K. and useful. It is necessary for job evaluation and for job analysis.

2. The grading or evaluation of jobs in accordance with relative difficulty is still important, except that you can correct your internal alignment only to the extent that job rate increases are approved. Your ability to correct your internal alignment completely is less now than before April 8, 1943, and much less than before October 3, 1942.

3. The making of locality wage rate surveys is still O.K., if you wish to know how the locality hiring rates are running. But they are no longer useful in making adjustments in your general rate level. They may help you in preparing a case for the War Labor Board but the latter will have its own figures.

4. The preparation of a systematic schedule is a guide for hiring, and for promotion in pay. It is still essential as the basis for the setting of individual salaries in a sound and consistent manner.

### *Merit Increases*

THIS brings us to the use or application of such a schedule. You may be able to put it into effect only in part because of the restrictions imposed by Order 9328, but having an ideal schedule is still worth while because your employees will be faced with rising prices. There is terrific pressure welling up under our domestic prices; price increases will affect the living costs of your employees, causing them and their wives to be unhappy with their existing rates of pay. They will come to you for increases, and so you will be subjected to pressure from individuals and from groups. You can't give a merit increase to a group, but you can give merit increases to individuals.

If you merely grease those wheels "that creak the loudest," and if you fail to have in your possession a systematic wage schedule as a guide for the handling of individual cases, your wage set up may become even more chaotic than it is today. That's the reason a wage schedule representing what *ought to be* is a helpful and almost necessary instrument, even though you cannot adopt it completely at the moment.

### *Salary Reviews*

IN APPLYING your schedule, whether it be a bad schedule, or a good one resulting from careful evaluation, you can institute a system of periodic salary reviews. One company reviews each case four times a year, according to a definite system of control in the personnel office. Each individual on the payroll has a card in the tickler file of the personnel director. Each case is brought up for review every 13 weeks by a committee consisting of the line supervisor and that supervisor's superior, together with the personnel director. The man may not have his rate increased every 13 weeks, but at least he knows his case has been reviewed. If he is passed by without an increase two times in succession, it is incumbent upon his supervisor to tell him why.

You will find the same sort of salary review in the Westinghouse Company, in R. H. Macy, and many other companies. It helps to bring to bear on each case, periodically and systematically, the judgment of those who are in a position to watch and to know about each worker's performance.

You know of the widow who wanted to get her boy located as office boy outside the boss's office, feeling that there his work would be noticed. This desire for recognition is in the heart of every individual who works. If you can't do that much for your employees, you haven't a personnel program.

*Man Rating*

THE periodical salary reviews can be supplemented by some kind of man rating or merit rating,—as it frequently is called. By man rating I mean the same kind of systematic evaluation of the performance of each individual person that you have in job rating with reference to each individual job. Here we are talking about the appraisal of the work of individual employes as distinct from jobs. I am not as enthusiastic about man rating as about job rating, because it is more difficult to do, and the results have always seemed to me less satisfactory. Yet, with pressure for merit increases, you need some method of keeping your answers consistent. Otherwise you will raise the man who asks for the increase, and ignore the man who is quiet.

Companies could do more than they have done to develop a systematic arrangement for focusing attention upon the performance or contribution of each individual employe. They can develop a simple rating system that will take into account the quantity of work done, the quality or thoroughness of that work, the versatility of the man, and his cooperativeness. Note that, except for quantity of work, these are imponderables that are hard to measure, so that the result is merely the consensus of a few informed people.



If You Want a Stable Willing Labor Force Look to the Matters Outside Your Factory Gates, as Well as to Those Inside. The Worker Does Not Leave Half of Himself Outside When he Enters.

# Worker Indifference

BY ROBERT L. SUTHERLAND

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**A**BSENTEEISM, attitudes of indifference on the job, participation in race riots, taking part in unauthorized strikes—these and many other alleged “labor problems” are common subjects for discussion among the managers of war plants. Although the discussion of these problems is now so common that almost everyone feels qualified to express an opinion, many of the arguments which take place ignore basic causes.

“Worker indifference” is not the malady; it is a symptom—a symptom of underlying conditions which need attention. Instead of analyzing the surface and negative aspect of the problem, it is well to begin more fundamentally with the motives which are prerequisite in the lives of anyone for the development of a positive “sense of responsibility.” Such an understanding will make it easier to discover the ingredients of group morale and of personal efficiency.

## *Regular Habits of Living*

**M**ANY words have been bandied about concerning these matters, but little serious effort made in the objective analysis of them. Such an analysis would reveal that the important factors involved are neither mysterious nor complex, but putting the implied solutions into action is not a simple matter. What then are the bases for the development within a person or a group of a sense of responsibility?

*Regular habits of living and of community relationship make for “responsibility.”* With the uprooting of industrial populations, with 95% of those who build the ships strangers to ship building, how could one expect regular habits of living to charac-

terize the behavior of thousands of war time employees. Rather, one can be amazed that the adjustment has been made so successfully and that the rate of production is exceeding its time schedule.

Nevertheless, much more could be done to speed the development of regular habits of living among the new industrial population. More attention could be given to solving problems of housing, of marketing, of educating the children of migrant workers, of teaching the skills of a new job, of helping newcomers form friendships and discover community resources for recreation.

In the past, home ownership, church membership, school attendance, and personal acquaintance with the employer have made for community stability and personal integrity. Now, new bonds must be developed quickly if the stranger in the industrial city is to follow responsible ways of living and not resort to reckless spending, excessive drinking and participation in race riots for his excitement.

### *Make a Dollar—Spend It*

**F**AMILY and neighborhood "expectations" make for responsibility. Most members of the managerial group work hard, try to avoid errors, take pride in their achievements, and assume civic responsibilities because their intimate associates in the family and in the community expect them to be successful.

But there are thousands of other persons in America who have had no such intimate culture of expectations surrounding their development. From their early years, they have learned to work for a dollar and then spend it for a good time. When depressions made work scarce, they went on relief and were made by the community to feel like "relievers." Their own family life has grown on a hit or miss basis with immediate pleasures or quarrels more important than long time planning.

In short, they have never been inducted into the "American way of living." They have not been touched by the inner drive of ambition because they have never felt the outer pull of society's expectations that they will succeed. Ambition is neither innate nor accidental. It comes to the person whose associates hold him in high regard, give him responsibility, and congratulate him for his achievements. A high percentage of war time workmen have never known the compulsive power of such attitudes.

### *Right and Wrong Side of Tracks*

**M**ASS appeal is no substitute for the intimate influence of family and friends. A movie star's occasional admonition to 8,000 workers that Uncle Sam is depending on them as home front fighters is too wholesale and impersonal to have lasting effect. Not until one's close associates expect him to succeed, praise him for his high production in a war plant, ask him about his newly purchased home, invite him to join a lodge or a service club, congratulate him on his son's graduation from

high school—not until these and a hundred other incentives for frugality and stable family living come to him will he shift *psychologically* from the “wrong” to the “right” side of the tracks.

How can these new recruits for the American way of life be successfully inducted? How can the one-third who have been forgotten—not so much economically, as in personal attitudes and group sentiments—now be “counted in” as participating members of the community? No one approach will accomplish the task alone, but any relationship which will strengthen their family pride, their desire for neighborhood improvements, and their feeling of importance in the total community will help. Personnel managers should consider as their allies all community agencies which have as their purpose the improvement of personal adjustment and the strengthening of family life. Encouragement should be given to the churches and especially to the small groups within the churches, to the YMCA’s and YWCA’s, Boy and Girl Scouts, Family Welfare Agencies, and all other organized attempts to personalize American ideals.

### *How to Personalize Industry*

INDUSTRY itself also needs to become more personalized. As the public relations officer of the army notifies the home town paper of a soldier’s heroic deeds, so the war plant should notify local newspapers of excellent performance by one of their men. The background of every worker should be known to the employer. The names of new workers should be learned quickly, relationships established with other workers from the same community or the same state, encouragement given to the organization of clubs, athletic teams, and any other memberships which will convert an aggregate of thousands of individuals into a network of intimate personal relationships. Only as each individual is regarded as a unique person with special abilities will strength be given to his self-esteem, ambition, and sense of responsibility.

### *Participation Is the Answer*

CAN the workers in a large enterprise feel personally responsible for its success when each of them plays such a small part? The answer is that they can and do feel responsible when one important condition is met—when they have a share in planning the work and take pride in the result.

Too long “management and the workers” has been a phrase repeated glibly as though the two groups were distinct entities. Managers, supervisors, and foremen are all “workers.” On the other hand, when a worker at a lathe is asked by the foreman to help train a new employee, he is at that moment a part of the “management.” He has a new responsibility which calls out new abilities. In fact, in his own feelings he is “the company”.



All members of an enterprise must share responsibility for production if morale and output are to be high. The following are a few of the ways of increasing this condition of participation:

Recognizing and rewarding any employee for new ideas about improved tools or methods of production.

Recognizing any employee for special loyalty or industry or for special skill in building morale among his associates.

Presenting individual workers or small groups of workers with problems which they are to help solve, instead of always issuing office-made orders, many of which do not "fit" and have to be revised.

### *Develop Responsibility*

**M**AKING the "boys in the plant" feel a part of the company itself. They will do that only if they are given responsibility—not an overdose at once but given responsibility gradually and then taught how to assume more. No one will voluntarily work hard unless he has freedom to take part in some measure of planning, setting of goals, and feeling proud of achievements.

For example, labor unions could have a tremendous influence in preventing race riots if high officials in government and management appealed in the right way for their help. Through their intimate association with migrant workers, many of whom belong to no other community group except the union, they could educate for law and order far more effectively than the boss who depends upon the loud speaker system for his appeal. But if unions are known only as conflict groups, then the leaders develop skill only as fighters—fighters of the "company." Redefining this relationship into one of mutual responsibility is the greatest single challenge for labor relations of the next decade.

Working with other personnel on the basis of small group relationships. Encourage foremen to meet as an association to discuss problems of production as well as to develop social and recreational activities. Distributing responsibility to inner groups and to large numbers of individuals requires great intelligence, ingenuity, and patience. In the past an impatient and worried management has too often tried to carry the whole burden of planning itself—and in so doing has become a major cause of "worker indifference."

The above suggestions are only a few of the many possible ways for increasing participation. The intelligent plant manager will think of hundreds of other opportunities for getting rid of responsibility himself by sharing it with others. Every time he learns a new way of sharing a problem with someone else in the plant (and also sharing credit for its solution) he will discover that he has helped that person develop a new "sense of responsibility".



*Clear-cut Flexible Organization of Personnel*

ILLUSTRATIVE of a production-minded but not personnel-minded management is the practice of employing a backlog of workers who only go through the motions of keeping busy while they are waiting for work to develop. Nothing is more demoralizing than indefinite assignments and confused job placements. Every member of an organization should know exactly what is expected of him each day, and also know why his part is important. Personal explanations are needed, a trip through the plant showing the relationship of one operation to another will help, and the use of carefully prepared movies will show graphically the organization of the work and the importance of the product in the nation's war effort.

The placement of workers should be definite and their responsibilities clear-cut, but at the same time the organization should remain flexible. Personnel interviewers are needed, not merely in the main office, but near the line of production where complaints can be heard quickly, the abilities of workers studied first-hand, and reassignments recommended without delay. Aptitude testing will help, but it is no Utopian solution.

There is no substitute for the personal discovery by a supervisor of the feelings of a worker about his job, of how the worker thinks the company could be improved, and of where in the plant he thinks he could work most efficiently. Not all of his suggestions will be feasible, but all of them can be heard, and some will prove useful. A worker's constructive suggestion unheeded by a supervisor quickly turns into a sour attitude of complaint. The largest organization need not be impersonal in this respect if it has indoctrinated its staff with the personnel point of view.

*Group Pride Increases Personal Responsibility*

NOT all competition is constructive. Nevertheless, friendly rivalry among units in production often leads to group pride which increases the individual's self-respect and ambition. A person thinks more highly of himself if he belongs to a family, a club, a company, or any other group of which he is proud. A newcomer to an industry will be proud of his work-group only if there is high morale among the old-timers.

High morale among both old and newcomers is built through just dealings with all persons in an organization, through a contagious example of sincerity and self-sacrifice set by the leaders, and through a desire on their part to teach others to participate more fully in the responsible business of planning production and of maintaining high morale and efficiency in every phase of the work. These are the simple ingredients of worker responsibility. But though they are simple, only the most intelligent and devoted members of management can put them into effect skillfully. In fact, this challenge may well become the test as to which managers, themselves, are the most responsible.

When Asked to What He Attributed His Great Success John D. Rockefeller the Elder Replied Tersely "Others." Can You Accept New Ideas? Are You Afraid of Your Job? Do You Read About Your Business? Are You a Detail Maniac? Are You Approachable?

# Executive Self-analysis

BY CHARLES O. LIBBEY

Tennessee Valley Authority,  
Chattanooga, Tenn.

TONIGHT in simple, objective terms I am going to suggest an inventory of ourselves as executives. We are told (and who can doubt it?) that leadership is the great demand of all organizations in this emergency—leadership all the way down the hierarchy from top management to unit supervisor. So far as I can see it always has been so, in the prosperity of the twenties, in the depression of the thirties, and in these years of crisis. Leadership is always a necessity. Therefore, let us ask ourselves five blunt questions.

## *Can We Accept New Ideas?*

DURING the depression, I heard Lloyd Douglas, the author of the *Magnificent Obsession*, speak. As I remember it, he had a striking and optimistic theory about planes of civilization. He thought of eras and epochs as existences on fairly even planes in which affairs went along without much change or deviation. Then every so often we tumbled upstairs onto another plane. The tumbling process was usually violent and arduous but again we regained our balances on a new plane for new ordinary living and livelihoods.

Whether this pleasant theory of civilization appears reasonable today or not, we are facing continual, fundamental changes. We are tumbling about. Conversion of industry to the business of war and later on back again to peaceful pursuits is a change so violent as to be upheaval, and this is only one of the tumblings. Who

can believe that business life will be just the same again in a few years, that normalcy on another plane will be the same as anything we have experienced? The office cannot be the same again. We have seen this rise of the office as a service center of the organization. Whether top management still thinks it is something on the wrong side of the ledger or not, we have the details of work with us and all their problems.

### *The Tumbling Process*

THE modern business office becomes more complex as industrial organization gains in proportions. What were small and insignificant details, perhaps, a few years ago have expanded and accumulated with organizational growth. This is why office management was born. These details began to need scientific management quite as much as the major phases of industry. I think that I am safe in promising you that the demand will never be less.

I have recently been on loan to an old government agency in Washington, that center of accomplishment and confusion. The practices and procedures had served well enough until the war emergency exploded in their faces. No organization could have taken that in its stride. All employees, new or old, knew that the old methods simply could not handle the work to be done. The tumbling process was violent to get upon a new plane of operation.

### *An Economy of Deadlines*

ALMOST overnight the organization had grown until few administrators could see it as a whole or understand the coordination of the details. In Washington we have to realize a new emphasis. We are living in an economy of deadlines. It is not how to do it economically so much as how to do it quickly and counting the excessive costs afterwards. Refinements must not disrupt and must come later. However, workers are caught in a maelstrom of details and red tape and tremendous burdens have been thrown upon coordination. You may have heard the definition of a coordinator by Rabbi Gerstenfeld: "He is a man who brings organized chaos out of regimented confusion." The point is that the accumulation of details makes major problems that affect the whole productive effort.

This is no time for provincialism in any field. We must recognize that changes will come to us if we do not go to meet them. As Charles F. Kettering says, "Advancing waves of other people's progress sweep over the unchanging man and wash him out." The professional mind must come to recognize that knowledge of his technical field does not make him an administrator. Even an experienced administrator cannot know all the details and new ideas going on in this varied field and he must enlist assistance. Many of our problems have already been partly solved by others and we cannot close our minds to the experience of others.



*J. D. Rockefeller Speaks*

ONE of the first principles of business relationships is that we make progress through the minds of other people. We can do nothing all alone. We must use the minds of other people to get information and to transmute it into action again through still other people. When asked to what he attributed his great success, John D. Rockefeller, the elder, replied tersely, "Others." We must never forget that here is a great fund of valuable information.

If we have been administrators for several years, let us ask ourselves: Are we an oldtimer? Are we in the rut? Can we recognize new ideas in our field and welcome their consideration in the face of changes?

*Are We Afraid of Our Jobs?*

I SUPPOSE there are few of us who would say yes to that question, certainly not in the hearing of anyone else. Can we meet the challenge of new problems without fear and worry but with decision and competency? I like this definition of Ernest Hemingway, "Courage is grace under pressure." I don't think of this as just clever phraseology; it is worth pondering a while. He may be referring to physical courage, but the facing of problems and discouragements in the business world demand the same approach, the same grace and deportment.

There are several little gremlins of fear that are rampant in the office and they sometimes scamper over the executive desk.

*Fear of Making Decisions*

THERE are always difficulties in determining the right trend, method, or policy. If it were easy it would have been done long ago and there would have been others in its place. There may be criticism too because minds come to problems from different experience and are influenced by different objectives. Anything really important arrives in a welter of opinion. You have heard that "An executive is a man who makes many decisions some of which are right." Casual as it may appear, any decision is often better than no answer at all. Again if we do make a decision and follow that course, we seldom can be in a position to know how the other decision would have worked out. It is still a matter of opinion. Elbert Hubbard wrote once, "The man who is afraid of being wrong will stay right where he is."

*Fear of Subordinates*

YOU must have observed the executive who takes more of the credit of a successful project than really belongs to him. I suppose he is afraid that some junior executive will attract too much attention of top management. I am engaged in procedural analysis and as we analyze jobs we expect to get the best ideas from the men themselves. That is realistic and highly important. One of our rules is to



give all credit possible because there is this peculiar attribute of credit. In the normal organization, the more credit you give away the more all those involved receive; the more one participant tries to grab, the less there seems to be for anyone. It reminds me of what Henry Mayer, of Hart, Schaffner, and Marx says of service: "The more service we give away the more we have left. It does not take up any room and you don't have to dust it off."

### *Fear of Employee Opposition*

CAN we consult with those in our office who know the details but whose advice may run counter to our own views? Some executives will not hold conferences on controversial subjects because they are afraid to meet adverse opinion in the open. Instead they resort to swivel chair decisions and the so-called "yes" men are the fair-haired children. Aside from the injustice of it, we all know that facts are stubborn, logical phenomena, and we cannot see them in an executive crystal ball. Practical instruction cannot be given with arbitrary infallibility, and we should not resort to this official snobbery.

### *Fear of Competency*

AND thereby hangs many an alibi. If this fear is due to a lack of technical skills, there is always training to rely upon. The statement that men are born leaders is a bit silly and is not substantiated by authority. It may be true that some men are better adapted to certain fields of endeavor, but all have to find ways of expansion in the field. Self-confidence, constructive imagination, energy, and enthusiasm are certainly some of the basic qualities of leadership. We cannot maintain these and have fears and worries.

These are four of the familiar fears and you will know of others. They serve to point the way to some self-analysis that relates to worries that handicap us. Perhaps suggested by this psychology is also the "martyr complex" in which we think we are underestimated and unappreciated. How often we are likely to make alibis in our reasoning and remember only the facts which build up our martyrdom. I don't have to tell you that business doesn't make progress on lost causes and martyrs are therefore not its leaders.

### *The Decisive Boss*

ONCE upon a time I had a boss, likeable, competent, and arbitrary. He had ability, he asked no advice, and he was decisive. He did know, however, that his leadership was under criticism because he had had considerable employee trouble. I suppose he did not realize the effect himself, and yet no one ever did anything in that branch office in which his was not the major part. All his reports proved it. The result was that the home office did not believe him, and if they had

they would have questioned his leadership when he had to do everything himself.

There is something silly about fear and worry on the job. The doctor tells us so; the psychologist agrees; and public administration experts come to the same conclusion. We also know it and we are sorry or derisive of the man who tries to walk some tightrope between top management and his employees.

Again, here is a blunt question for us to face. Are we afraid of those above us or below us, afraid to make decisions for fear of criticism? Are we afraid of our jobs?

### *Do We Study in Our Field of Business Interest?*

ONE of the things I would like to know about any applicant to a position on my staff is this: Is he interested in office management? That is the field in which we work, and must expand and if he can't start with interest there can hardly be much promise of development or success. Interest will furnish that extra ounce of enthusiasm or nervous energy that makes strongly for accomplishment. Theodore Roosevelt used to say, "I am only an ordinary man but, by George, I work at it harder than the average man." Intelligent leadership must take us out further and further in our field and we must know more and more of the field in order to inspire the enthusiasm of discovery.

There probably never has been a time when so much literature has been published and when there was so much detailed information as today. The bibliography grows and grows year after year. As executives we should be in touch with this spread of information. A book or two on the science of management could hardly make any executive a well-read man on the subject. In the modern office, the capable secretary can write our letters, the able clerks can do our figuring, but we have to do our own reading.

More and more the magazines have articles that deal with executive techniques. It can keep us abreast of the best thinking in our field. I think we often make the mistake of reading these articles as something alien and at a distance. We get the most out of them by applying the thought to our own situations. And we should not forget the humble catalog that is so often such a handbook of information.

### *Learn from Salesmen*

LET me say a word too for the modern sales representative. The old type of salesman with merely the hearty exterior has given place to the expert on the product. In the intelligent quest for business, he has usually been trained in all the processes and procedures that surround his product. He obtains his business by contributing no small part, and you cannot afford to overlook his valuable information.

In the face of problems, Charles F. Kettering uses a phrase that seems to me is important as an attitude. He speaks of "intelligent ignorance." "In research,"

he says, "whenever you begin to think you know all about any subject, it stops your progress dead in that subject. As the old colored fellow said: 'It ain't the things you *don't* know that hurts you. It's the things you *think* you know for sure that ain't so'."

### *Even Busy Men Should Read*

WHEN I suggest reading to a busy man, I know how unpopular that can be. Today the reading matter involved in the transaction of business is really staggering. Or so I find it. It is difficult to keep up with the typed and printed word, but we can make a selection. We owe it to ourselves that part of our reading should be in the broader aspect of our business. I think I could go even farther than that. It is expressed best again by Theodore Roosevelt. "Every man owes some of his time to the upbuilding of the profession to which he belongs."

In our self-inventory we may want to ask ourselves, "How much are we expanding in our field?" Let me put the question in the thought of Thomas J. Watson. "The furniture of our minds consists of what we hear, read, observe, discuss, and think each day. Are we retaining in our minds too much old furniture which should be replaced by new, or are we making room for new and better furniture to meet the constantly changing conditions with which we are confronted?" As executives what is the furniture of our minds?

### *Do We Get Too Involved in Details?*

LONG ago an old Roman, Marcus Antonius, said "Be sure therefore that every man is worth just so much as the things are worth about which he busies himself." The office manager is largely engaged in marshalling details, and, possibly, accumulation of trivia. If he gets too close to them he becomes enmeshed so that he must discover how to take his details and how to leave them alone. If he gets too close to them, despite all his industry he may become a mere detailist. If he is to be a leader he must find the way to know about details when they are significant and to keep far enough away for an over-all view.

It is simply elementary in studying the flow of work in the office to watch where the papers pile up on desks. Sometimes the bottleneck is occasioned by faulty procedures and red tape, and sometimes it is the people who fuss around and cannot let go. Lieutenant General Somervell has this to say of red tape: "Red tape generally is defined as customs, rules and procedures that cause unnecessary delay and its use is considered to be a prerogative of Government. But red tape is everywhere—it is a state of mind as well as a method of procedure. Red tape is the act of postponing decisions, taking your time, playing safe, following routine, stifling initiative, quitting when the whistle blows, business as usual, politics, picnics, and golf as usual."



*The Florida Mail-man*

IT is not that detail is really not important. Of course, we know that it is. Recently a letter carrier in Florida realized that in twenty years he had walked seventy-five unnecessary miles. He went to two second-story office buildings and in all these years he failed to notice a connecting door which would have saved him from descending to the street and climbing another stairway. Observation of details is the basis of all our studies in management down to the therblig of motion economy. But they are parts of a whole, and the able executive must be in the position to have an over-view.

The only answer to the problem is in proper delegation of responsibilities. The work will not come to us just the way we want it, but by patient training we may get it approximately so. Some supervisors are like some editors and cannot accept results without excessive and detailed revision. Too often the detailist in any activity must shape other people's actions in just his own meticulous manner.

*Catch as Catch Can*

WHEN we do receive work back in quite different form than we have expected, are we willing to take part of the blame? It may have been the lack of clarity in our instructions. Oral and written instructions are not easy to make with complete understanding. There is too much of a tendency to explain rapidly from our point of view and the poor employee must catch as catch can. It is vital to understanding that instructions must be given as near as possible from the point of view of the one who receives them. Few employees like or have the courage to ask many questions. The first principle of instructions is that they be understood.

It is by delegating work to others under us that we educate employees in responsibility. Any worthwhile employee can learn to carry responsibility only by exercising it. There will be mistakes, but they are important only in repetition. Then if check lists cannot correct the employee, possibly we need a shift of duties or employees. If we are executives that must get disentangled from details, we must place the responsibilities below us, instruct them clearly, and train patiently; and we can keep the details at that level.

As executives are we detailists on whose desks other people's ideas pile up and do not go on? Are we old women with details? Can we see the job as a whole and forecast a program of activity?

*Are We Approachable to Employees*

HENRY NILES has written a valuable and delightful paper on "Formal and Informal Organization in the Office." You may have read it as it was in the *NOMA Forum* for December 1939, and the same ideas are referred to in "Middle Management" by Mary Cushing Howard Niles. They call attention to psychological rela-



tionships within an organization which cannot be formalized by chart or text. A clever secretary has a power far beyond her position on the organization chart in the manner and timeliness with which she schedules reports and appointments to her boss. The "grapevine" that operates in all offices is more rapid and widespread than written instructions. The influential employee in the social and the business aspects within the office may not be the supervisor, and yet you must enlist his cooperation. The strong men and the "fair-haired boys," for instance, cannot be formally classified.

### *Mr. Jones and Mr. Smith*

MR. NILES says: "The principles of organization as generally discussed refer mainly to the formal structure of the organization. The informal organization has been studied but superficially as yet, especially on the level above individual work." And again: "The conscious mind may be compared to the formal organization and the subconscious mind to the informal organization. The conscious mind believes in logic and believes that it acts logically. Actually there are many influences in the subconscious which determine to a large measure the actions of the conscious mind." And this colorful thought: "Congeniality and cooperation are based upon mutual understanding, but it is hard to predict what will be the result of trying to get various individuals to cooperate. Two hydrogen atoms plus one oxygen atom combined give a new substance, water, which has qualities quite different from either of the two gases which form it. Mr. Jones and Mr. Smith put to work together produce—who knows? Fireworks or a steam engine?"

I have referred to Mr. Miles's paper because it points to influences so important in relationships between the executive and the people under him on whom his success really depends. It is quite easy in the business world for a person of responsibility to climb up on a pedestal. Secretaries, administrative assistants, and all the clerical force are engaged in plot to make us think that we are a lot more important, more intelligent and witty, and more of a leader than we really are. Martial, the Roman writer, has said this to many generations. "When your crowd of attendants so loudly applaud you, Pomponius, it is not you but your banquet that is so eloquent." In short, it is easy to become a prima donna.

### *The Odd Brilliant Stick*

BOTH men and machines are necessary to the office. We can take the cover from the intricate mechanism of an adding machine and marvel at the detail of cogs and wheels and levers that revolve and synchronize in the intricate process. It is quite marvelous and we say that it can almost think. That is just it. Intricate as it is, it cannot think. And if we could see the greater, more complex mechanism involved in thought we would realize what a responsibility is in our care. We may be careless of this greatest of all office mechanisms, which makes this informal

organization of which Mr. Niles has written. The question is: How close are we to the personnel in our office; how much do we know about them; how much leadership do we exercise?

How well do men get along together? The odd stick, however brilliant, usually is the center of personnel troubles.

Grievances are not always real, but they are real to the employee. He must be heard completely and sympathetically. The barrel must be emptied before we can fill it with our own ideas.

Correction is often necessary but it can cause everlasting injury if given before others.

Employees who understand the broad objectives of our program can work more enthusiastically and intelligently than those working day by day in the dark.

### *Try Smiling at Your Mirror*

**H**UMOR, that is, mental balance, is most valuable to a supervisor. Life is never quite so serious as some supervisors would have us believe. "Life is a mirror," as someone has said, "Try smiling in it."

The employee feels that his advancement depends on you. You can make him a "yes" man or you can make him pull his enthusiastic weight in the office.

One of the most vicious types of executives is the so-called bull of the woods. I have worked under him. He is usually not so tough as his exterior would lead him to appear. While his word is arbitrary on-the-spot law, he usually sees through the eyes of a trusty few. There is often a little sadism in his psychology, and he is not averse to causing fear. He came up the hard way and likes to see others come up in the same fashion. I am sure that his "personality image" is quite different from that which others see for him. He is really out-of-date in this day and age.

As executives, are we approachable to employees? Do we know what is going on in our informal organization? There are many types of prima donna in the office. Are we one of them?

### *How to Get a Jolt*

**I**N OUR inventory, I have asked five very simple, very blunt questions. I could have asked more. Are we egotists? Are we indolent? Have we integrity? You can throw in your own questions. The point is to start asking any questions and evaluate the answers. If there is something missing in our leadership, it is never too late to do something about it.

I wonder how many of us would dare to circulate a rating sheet of ourselves among our employees? That is, circulate a sheet to be filled out anonymously. It has been done. I suspect that each of us would receive a series of jolts, just or unjust. You have heard it said that institutions are the lengthened shadow of a man. To a

certain extent, I have found that true in many offices. The atmosphere of the office and its informal organization is greatly influenced by the executive. They tend to copy his personality.

### *If—Not Otherwise*

(1) If we have an open mind and an experimental attitude toward our work, the office as a whole is alive to new thoughts and opportunities to assist us.

(2) If we are unafraid in our relationships, the office too has courage to decide and to expand with a release of energy.

(3) If we are interested in our field, the office as well gains in enthusiasm and experience.

(4) If we delegate responsibilities, the office will release us from details and follow our leadership in a program.

(5) If we are approachable, the office again tends to get on well among its members and pull together toward our objectives.

*From a paper presented to the Chattanooga Chapter of the National Office Management Association.*

# Office Management

*Being continued outlines of some talks given at the twenty-fourth annual conference of the National Office Management Association at Detroit, Mich. (For previous papers see October, 1943 PERSONNEL JOURNAL, p. 130.)*

## I. WOMEN IN THE OFFICE

BY C. F. HOLWIELER

Crown Zellerbach Corporation, New York, N. Y.

IT HAS been stated that only approximately 50% of the boys who returned from World War I came back to their old jobs. They had seen new worlds and had lived rugged outdoor lives. The important point is that we did not particularly miss them because women had taken their places so satisfactorily.

### *Present Company Policies*

THE New York Chapter Research Project on the subject, of the NOMA showed that, of the 32 companies reporting, which employed approximately 32,000 people, 530 men left for the armed services in 1942 and were replaced by 406 women—76% replacement.

The Western Electric Company employed 12,300 salaried people in 1940. Of these, 25% were women. In 1941 this proportion increased to 29%, in 1942 to 37%, and in 1943 39% of a total of 21,000 salaried employees are women.

The Crucible Steel Company of America employed 198 people in their general office in May 1939. Of this number 88, or 40% were women. At present this office employs 296 people and of this number 184, or 62%, are women.

In one department of the Johns-Manville Corporation, less than 50% of the office employees were women in 1940, while in this same department there are now 75% women employees.

We have trained them for high level jobs and for work in supervisory capacities. They have demonstrated their ability to handle these functions as well as they can. As a consequence, large organizations are, without hesitation, investing considerable money in training programs to qualify women for the highly skilled and supervisory jobs in their offices left vacant by men who have been, and are being called to the colors.



## II. OFFICE-SHOP COMPETITION

BY A. F. TRUMBORE

Allis-Chalmers Manufacturing Co., Milwaukee, Wis.

**A**LLIS-CHALMERS in Milwaukee has approximately 23,000 people working in the office and shop, approximately 3,000 of whom are office people. We have what we call our main office and our shop office.

Our first problem is, what are we going to do with the shop offices where you have a girl who wears exactly the same uniform,—not a very good looking outfit,—striped denim with cap, the same color, has to wear safety glasses all day long,—who is making \$135 a month, working alongside of a girl whose pay check for the last month was \$500. That's two extremes I am quoting.

But let me give you the average of what has happened. This girl doing office work in the shop, which consists of ordinary clerical work, typewriting, stenographic work, filing work, receives a salary of \$135 a month. The girl who works out in the shop, has an average salary for the same time of \$200 a month. Those are actual earnings on piece work.

*The Problem*

**N**ow that might seem to you to create quite a problem; they wear the same type of clothes, and work close together in the shop.

In the front office the average salary is approximately the same as in the shop office, not quite as much, but it's way below that of what the girls are making in the shop. You might say, "Well, how do you get anybody to work in the office at all?" We do, and we keep them there. The turnover in our shop office force for the past six months has been 32 people per 1,000, while the turnover in the office has been 12 people per 1,000.

First there is careful selection in hiring. We get three types of people who apply at our office. One wants to work in the shop; one wants to work in the office, and the third cannot decide whether shop or office. We, by testing very carefully, select these people. Sometimes you find the people who think they would like to work in the shop aren't fitted for it. We talk them into an office job, or vice versa, and as for the persons who cannot make up their minds, they give us the greatest concern of all. We try to place them correctly.

We try to point out the advantages of the office jobs compared to the shop jobs. First of all, they are more permanent; that, even in a time like this, is a good selling point. A lot of people are interested in only how much money they can make today. There is only one place to put those people and that's in the shop, let them run a machine, because they will never be fit for any office job at all.

*The Marriage Incentive*

IN THE office there are a lot of girls who are looking forward to marriage. They feel their opportunities are so much better there, because the class of people they meet in the shop certainly aren't the type of men they are looking for, for future husbands.

Then we have the advantage of dress. The girls in the shop must wear slacks, in some parts of the shop they must wear uniforms, while in the office, where a girl does not meet the public, we allow her to wear whatever she likes. She can come in with slacks, or with socks. Where she meets the public, of course, she must wear the uniform type of dress you expect to see in the street at any time. Then they also have the advantage of the lunch room, which means a lot to some girls, where they get a fairly nice lunch for 20¢ a day. Vacations,—the girl in the shop gets a vacation after one year of three days. The girl who has been with us one year in the office gets two weeks' vacation.

*No Time Clock*

THEN this question of lost time, absenteeism. The girl who works in the shop, the minute she is off, doesn't get paid for it. The girl in the office, unless she makes a habit of it, habitual absenteeism, —does get paid for it. The girls in the office don't punch a time clock. They can more or less go as they please. Those are some of the advantages that our office people have over the shop people, and which we try to point out to them in hiring.

The second thing is wages. I pointed out some of the extremes. There is a difference, and a considerable difference. First of all, we have a job analysis program in our office where every person's job is rated and they are paid a maximum and a minimum for that particular type of job. We point out to them the opportunity of advancing from one grade to another if they want to properly apply themselves, and want to get some further schooling beyond what they have had. I cannot advocate a job analysis program too strongly, because it is one way of keeping office people happy,—to make them feel they are getting as much for what they are doing as the person in the next office or the office across the street.

Another method we use of keeping our office people happy is by continually making wage surveys to see what the going wages are in the community, and our policy has been to pay at least as much, if not above the average in the community.

*Government Competition*

OUR turnover is 12 people per thousand in the office. Of those 12, less than two people have gone from the office to the shop. As a matter of fact, the figure would be 1.8% throughout. About 50% of those people, six of them, go to mili-

tary service. The rest of them leave for various reasons, getting married, some few go to other companies. As a matter of fact, our biggest competitor is not the shop, but the Government, because somehow or other the Government can pay more for typists and stenographers than we in industry feel we can afford to pay.

Thirdly, a person working in the office has the advantage of the rate being reviewed every six months or sooner, and increases are often put through. Our policy is to review the rates at least every six months and in some departments less than that, and if the person shows any progress whatever, to give them a raise. In other words, we believe not in enormous raises at one time, but smaller raises more often.

It may seem strange to you that very few people want to go from a job in the main office to the shop. That very rarely happens; it is less than two people per 1,000 employees. But there are an awful lot of people who want to come from the shop into the main office. So the problem of competition between the shop and the office is not very critical at the present time, and you can keep that competition less critical by having a good job analysis program, pointing out the advantages that bridge that difference in wages between the shop and the office.

### *All Secretaries*

Now what is going to happen in the future? I think that the competition will grow less and less between the shop and the office and for this reason: We have found at our plant, and in one division of our company at West Allis, 82.6% of the production workers are females, that the type of girl who will fit into the shop work, will very rarely fit into the office work.

We have also found that the type of girl who is capable of doing office work does not want to go into the shop, because the majority of girls, in our experience, when they go out socially, are always "secretary" to somebody or other. We have no typists or stenographers, if you hear them speaking on the street, they are all "secretaries" but, of course, that's not true. They do like that distinction which is brought to them, and this enables them to sort of hold a higher plane of life, by working in an office.

## III. INDUCTING NEW EMPLOYEES

BY ORVILLE FRYE

Metropolitan Life Insurance Co., New York, N. Y.

IT is practical to do anything that can be done to properly introduce the new employee to his company, to his supervisor, to his job, and to his fellow-workers. This will pay both short and long run dividends.



*Emotional Strains*

IT is found that the greatest percentage leave within the first few weeks of their employment. The Army has found that the emotional strains and the need for adjustment of the new inductee are greatest during the first month of service. Dismissals and AWOL cases are most common during this period, which indicates that the "change" factor created by the new environment, the new duties, and the new responsibilities produces a severe strain on the emotional behavior of the individual.

There is little reason to doubt that comparable emotional strains are present also in the new clerical employee. If he is not given the proper introductory treatment during the first few months of service with the company, labor turnover, absenteeism, tardiness, and general deficiency more than likely will result.

Labor turnover, tardiness, and absenteeism are on the upgrade due to the fact that management has given too little attention to one of its major human relations responsibilities—the responsibility of selling the new employee the feeling that he has an important job to do.

*Basic Similarities*

EACH individual has a personality distinct from that of his fellow men, but in spite of this, the basic attitudes and reactions of most people are somewhat similar and tend to follow the same general pattern; he is very susceptible to favorable working conditions, and as a normal human being, he responds to congenial supervisors and fellow-workers, because he is basically a social animal; he is eager to make good, and for that reason he is interested in prestige, promotion, and recognition. He wants to have confidence in management, and in most cases security is uppermost in his mind. Naturally, he resents anything that tends to belittle his importance and he likes to be asked for his opinion. In general, he likes people who like him.

*Attitudes Like Clay*

JOBS are plentiful and new employees who are not shown the proper consideration are likely to become indifferent, tardy, too frequently absent from work, and if the situation goes too far, they may even quit their jobs. Management, therefore, must concern itself with the attitudes of all employees, especially the new ones. Management must see to it that each new employee becomes company-conscious and that he derives real satisfaction from his work, even though he realizes that his contribution is but a small part of the total group effort. This process is one that should start in the initial interview when the applicant first applies for a job, and it should continue throughout his employment.

The attitudes of new employees are like clay. They are flexible and plastic,



and therefore need the hands of a skilled artist to mold them into useful and productive channels.

The procedure for making the new clerk feel at home has five fundamental parts: first, to make him feel at home in the employment process; second, to make him feel at home in the company; third, to make him feel at home in his department; fourth, to make him feel at home in his job; and fifth, the follow-up, which has as its purpose, assurance that the procedure produces optimum results.

### *Making the New Clerk "Feel at Home"*

**M**OST important is the interview itself. Applicants like to feel they are given every opportunity to clearly, honestly, and fully state their cases and to feel the employment interview is thorough and business-like, for their future is at stake. In my observation of interviewers at work, I find the following points, when followed religiously, leave a friendly impression on the applicant.

1. The applicant should first be put at ease.
2. The interviewer should have an attitude of friendliness and helpfulness, trying to see the applicant's problem, as well as the company's.
3. The manner of the interviewer should be courteous, tactful, business-like and poised at all times.
4. Overstated promises regarding the employee's future should never be made.
5. The interviewer should work easily, never appearing to hurry even when he is under considerable pressure, because the appearance of tenseness is contagious and may find its way to the applicant, making him more susceptible to resentment.
6. The interviewer should be especially careful to cover accurately all details regarding the job, such as wages, hours, the kind of work, its permanence, etc., so that a clear understanding is reached.
7. The applicant should be given ample opportunities to express himself freely and to ask questions. He likes the chance to express himself, and especially dislikes one-sided interviews—those that concern themselves with the company's side only.
8. Lastly, the applicant should leave the employment department with the feeling that he has received friendly, business-like treatment, that resulted in his appointment to a position mutually beneficial to him and to the company.

### *Suggested List of Methods*

**H**E SHOULD learn not only something of the company's history but also the rules, regulations, and advantages that will affect him personally.

A suggested list of these is:

A personal talk by the president  
Individual conferences

Question and answer sessions

Motion pictures or slides of the company's history, production, buildings and branches

A tour of the various departments

A personal letter of welcome from the president to the new employee

An Employee Handbook (the most commonly used method).

Some of the high-lights of this phase of making the employee feel at home in his company are: an explicit welcome; a constantly implied or expressed cordiality periodically appearing throughout the process; that part of the company's history that would be of interest and useful to the average employee; a dramatized story of the products or services to make the employee realize the importance of his company in our democratic way of life.

Nearer to the employee's heart are salary plans, promotion plans, rating plans, rules governing hours, vacations, holidays and the suggestion system. Employee services such as: group life insurance plans, cafeterias, medical service, health insurance, savings plans, physical examinations, libraries, house organs and pension plans are of special interest to him.

### *"At Home" in His Department*

THE supervisor should, as his first step, welcome the new clerk and see that he is immediately introduced to all his fellow-workers.

An explanation of office customs and special, localized practices, will help remove feelings of strangeness.

### *"At Home" in His Job*

THE most recent development along this line has been made by the War Production Board in a course entitled "Job Instructor Training."

The human aspect of supervision should include visits by the supervisor to the workplace, a spirit of helpfulness, a development of the "we attitude," incentives without pressure, leadership instead of driving, credit where credit is due, and an opportunity for the worker to fully appreciate his importance in office production. Individual differences, both mental and emotional, differences in special interests, desires, abilities, working preferences and age should not be overlooked when working with the new clerk.

### *Follow-up Assures Success*

THE purpose is to control the procedures so that success is assured and improvements are made through foresight, instead of expediency. Whether the employee likes his job, his surroundings, his supervisor, the people with whom he works, can easily be brought out in a skillful interview.

It implies a human warmth, a feeling that the organization is informal in every working group. It includes a display of sympathy, understanding, interest, and a spirit of helpfulness. Indispensable in it is a natural liking for people, a respect for them and a consciousness that the little things count.

#### IV. PROBABLE POST-WAR SITUATION

BY C. F. HOLWIELER

Crown Zellerbach Corporation, New York, N. Y.

**W**E WILL need to depend upon women to handle important and supervisory jobs. The question is, will women stay? I believe a large percentage of them will, though I do not believe that the majority of women will seek a career life rather than a home life and I do not advocate that they should. I believe a goodly percentage of women will be dropping out of our offices at the higher or supervisory levels continuously because, up to that point, they will still be of marriageable age and will follow their natural objective in life—that of marriage.

With more women moving into these higher level jobs, we find ourselves facing new problems and a new type of office.

Should women be considered in all respects on the same level with men? Should they be paid the same salaries? Should they be permitted to smoke in our offices? Should they be expected to work the same number of hours as men did? If women assume these responsibilities, why shouldn't they be considered on the same level as men? Why shouldn't they be paid the same salaries? If we permit men in our offices to smoke, why shouldn't we permit women? On the other hand, women must recognize the fact that if they are considered on the same level with men, they must be expected to work the same hours. If a job has not been completed at five o'clock, they will be expected to complete it before leaving for the day, regardless of social engagements, just as a man would.

#### *How Far Can Women Go?*

**H**ow far can women go in business? We might very well ask the same question of men. Comparatively few men rise to high executive responsibilities. They are limited by their own capabilities. I believe the same applies to women, with one exception. I believe that a woman's rise in business is more apt to be curtailed by her natural desires for marriage.

What about the young boys who will be coming along? Will they want to come into our offices composed of, let us say, 75% women? Will they want to work with and under these women? They have a grand opportunity to learn to know women better, to better understand their points of view, their habits, their peculiarities, if any. Formerly, they learned largely of the popularities of men. The

fact that most women will be dropping out of business at certain levels more rapidly than men would drop out at those same levels, will give these boys a better opportunity for rapid promotion. Their early business experience of working with women may fit them better for executive responsibilities later.

What should our post-war policy be on the question of retaining and/or hiring married women? Are we going to bar married women and dismiss those in our employ who marry but wish to remain in business for a time?

Some of our most loyal and valuable women employees have been married for a number of years. In many cases, we have found them to be more dependable and ambitious than single women. Why should we change our policy?

### *Compulsory Military Service Likely*

FROM present indications, there is a good likelihood that at least one year's compulsory military service for our boys will be put into effect after the war. If this happens, it means that for at least one year there will not be available to us a crop of young boys to take over our office boy and mail room activities. This will, therefore, be just one other factor that will make it necessary for us to rely upon young girls to continue to carry on these activities.

The post-war office world appears to be much more feminine than it was in 1939. Forward-looking office executives will consider their future organizations and their future problems now. Personnel planning today, instead of after final victory, will free the planners for an attack on the other post-war problems, and they will be many.



The Results of These Studies by Engineers of the Psychological Problems of Work—Particularly Light Repetitive Operations—Seem to Show that the Less Attention a Worker Pays to His Job the Better He Does It.

# Take *the* Mind Away

BY FORREST H. KIRKPATRICK

Radio Corporation of America  
Camden, N. J.

**M**OST reports as to the use of music, delivered by means of a plant broadcast or public address set-up, indicate positive results in increasing the output and satisfaction of all kinds of workers—industrial workers, dock-hands, and office employees. Labor union officers have reported “marked improvement in attitude, work-output, and satisfaction.” Some of the reports rest on the belief that “boredom” is due to a consciousness of uniformity and repetition. The assumption is made, therefore, that anything that will “take the mind away” will reduce boredom. With the development of machinery, mental boredom rather than fatigue has become increasingly important in repetitive tasks, and mental rather than physical fatigue has arisen in the routine and exacting work of assembly, adjustment, and inspection.

## *Research Results*

**A**T A recent meeting of the American Society of Mechanical Engineers, Professor Harold Burris-Meyers, of Stevens Institute of Technology, and his associate Raymond N. Cardinell reported on studies of “Music in Industry.” Their research was reported on charts which showed:

1. The daily output of employees plotted against time showed an increase of 6.8% where music was broadcast, as compared with production figures under precisely similar conditions where there was no work music provided.
2. The total production per 100 manhours for a group of approximately 100 employees of all degrees of experience, in two typical weeks, one

before and one after a music installation was made, indicating an average production increase of 11.4%.

3. In only one week after music was installed was production lower than during the "control week" before the musical installation. The average increase in production was reported to be 7.6%.
4. With one chart, it was reported that, on a piece-work basis, employees got tired and went home early, as compared with production after a music installation was made.
5. From an average of 22.15% of absenteeism in weeks without music, there was a reduction of 2.85% average with music.
6. In the case of properly planned music programs, an increase in production of 6.8% was determined as against an average program by any self-styled expert.

Five years ago in a study of fatigue and boredom Wyatt and Langdon tested the effect of music upon British workers engaged in simple repetitive tasks in a chocolate factory. They were making paper "snappers," the completion of each one requiring about thirty seconds. The output of twelve young workers was recorded at fifteen-minute intervals during the day.

Five morning conditions were tested over a period of ninety-five days as follows: thirty days without music; then fifteen days with thirty minutes of music followed after a half-hour by forty-five minutes of music; then ten days with four thirty-minute periods at half-hour intervals; and finally twenty-five days without music. The music, produced by phonograph, increased the average output, but the amount varied. The largest increase, 6 per cent, resulted from morning music; the smallest, 2.6 per cent, from one period each in morning and afternoon; and an intermediate group of 4.4 per cent from four periods in the course of the day. Although the averages show consistent improvement from the music, individuals differed in their reaction to it.

### *Time Drags Most in Morning*

THIS study of 350 other British factory workers revealed that these employees feel that time drags worst during the first two hours of each half of the work-day, and that from 77 to 97 per cent of these same workers feel that they *can* think of other things while they work and that time passes more quickly when they *do* not think of other things. Music's favorable influence upon output may be partly due to its ability to add to the mind-imagery of the worker, sometimes dulled by concentration upon a repetitive task long since mastered.

### *Influence on Scrappage*

IN A study made by Humes at a radio tube factory, the production records of eighty-eight female assemblers was studied over a period of many weeks. His interest was focused upon the scrappage rate and its correlation with the presentation of slow

music, fast music, mixed programs of slow and fast music, and no music at all. Both slow and fast music showed less scrappage than the absence of music or than mixed program. Other results were less clear-cut, the mixed programs for instance, making for improvement only when certain tube models were being assembled. Employee morale was reported to be higher with music than without it. Considerably less certain are reports to the favorable effect of music on those operations which require continued mental concentration.

There is considerable published opinion to substantiate the partly validated thesis that music has several desirable influences in industrial plants. Some comes from management and some from labor. Wynford Reynolds, in charge of a British program, has declared of industrial music—"It is a tonic like a cup of tea, something to cheer the mind. You will get increased output all right, but it will be spread over the work-spell as a whole. You will not necessarily get it while the music is actually being played." Reynolds advises use of not more than 2½ hours of music a day, in periods lasting from fifteen to twenty minutes.

According to the British Industrial Welfare Society, "On the whole the consensus . . . seems to be that music does much to relieve the monotony of repetitive work, and produces a stimulus to increased output, and in the opinion of the Industrial Welfare Society there is no doubt that this development is not merely a wartime one, but that music at work will remain a definite feature of industry."

### *Best Types of Music*

THERE is much opinion but little experimental evidence as to the effects of different types of music. It is maintained that British experience indicates slow waltzes, rhumbas, hot music, music that is too thickly scored, and vocals should be avoided. A survey of British employers using music showed that two-thirds of those reporting want vocals occasionally and a majority prefer men vocalists; fourteen types of broadcast programs received this rank order: light orchestra without vocal, ballroom orchestra without vocal, brass band without vocal, swing orchestra or accordion without vocal, small novelty combination featuring xylophone, band with few vocals, light orchestra dance band without vocal, theatre organ, rhythmic records of light classical music, dance-time records, military band, salon orchestra, dance band, band playing folk songs and dances of another nation.

Kerr has studied music preferences of factory workers and he has reported on a number of studies in individual plants. He has stressed preference differences in terms of geography, age, sex, and type of employment. Several studies have reported that workers in the factory and work applicants feel that music helps production, job satisfaction, and general morale.

It seems fair to conclude there is evidence that the use of music relieves boredom and that it facilitates socializing. There is also general agreement that, properly

controlled, music may increase happiness and contentment in work, improve worker relationships, and lessen feelings of fatigue. Music seems to be most often appreciated by workers who perform repetitive manual tasks which require little mental concentration. The kind of music best suited for each workroom or each factory must be determined from a careful analysis of personnel—in terms of age, sex, national background, etc.

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The Armed Forces are Taking from Industrial Occupations a Great Many Men with Specialized Experience and Ability. It Does Its Best to Make the Best Use of These, in Deciding Upon Training for the Men.

# Quartermaster Corps Classification

BY M/SGT. JOSEPH C. DUNLEAVY

Camp Lee, Va.

CLASSIFICATION, the Army's modern personnel allocation system, is handled for the expansive Quartermaster Replacement Training Center at Camp Lee, Virginia, by an office which may easily be termed its nerve center. Proper personnel classification probably is more essential than any other phase of the service to the ultimate success of Quartermaster work. Literally, it is the root of Quartermaster service.

## *What Quartermaster Services Are*

QUARTERMASTER services may be compared roughly with those provided by a large mail order house, greatly expanded. Its functions, primarily, are procurement and distribution—and its personnel must be selected with that in mind. Moreover, Quartermaster activities cover a multitude of other trades analogous to civilian occupations, such as laundry operation, sterilization, salvage, refrigeration, plumbing, motor vehicle operation and repair, baking, cooking, and reclamation of clothing, textile, canvas, shoes and leather.

Seven days a week, day and night, the corps of specialists in the Classification and Assignment Section send to the many shops and schools, men qualified to learn and do the job the Army way. Without the skilled and tireless effort of the numerous officers and enlisted men in the classification setup, the Quartermaster Corps would be lacking in much of the punch it is showing today.

On arrival at Camp Lee from the many reception centers throughout the United States, the recruit finds himself a "ward" of Classification the moment he steps off

the train. He is met by a reception group from the Classification section and escorted to a hot meal, and then to his bunk. Henceforth he is more or less a charge of the company officers and non-coms, but his association with Classification has not been terminated.

Within a short time our raw trainee finds himself closeted with one of QMRTC's skilled interviewers. He already has been interviewed at his reception center for the purpose of preparing his "Form 20" card—the 6" x 8" yellow card which lists all the pertinent facts about the man's birth, home, education, job history, Army test scores, Army training, and any other aptitudes or talents he may possess. The "Form 20" card follows the soldier physically throughout his Army career. Unit commanders in the field keep the cards for the men under their command on file and may use their men as they see fit.

### *Selecting the Right Training School*

**B**UT the QMRTC interview is the more important interrogation, since it will introduce the trainee to a school—a school which will fit him to carry on his part in important Quartermaster missions in light of the "Form 20" data, additional information from the soldier, and the changing quotas of the Quartermaster Corps for men trained in its various jobs.

Entire companies of new soldiers are assembled in the interviewing rooms of the Classification and Assignment building, located in center of camp. First a non-commissioned officer gives a detailed explanation of the qualifications and requirements necessary for assignment to the 20-odd technical training schools. The recruit then views a list of the schools on a large guide in the room, and is asked to make three choices, basing his preference on his work in civilian life and his likes and dislikes.

The new Quartermaster soldier no more than makes his selections when he hears his name called and finds himself sitting alongside an interviewer. Still ill at ease with the nervousness that naturally comes with a drastic change of surroundings and mode of life, he faces his questioner with obvious mixed emotions. This feeling, however, is only momentary, for the interviewer opens the talk with an informal, "Good morning, John. How are you?" The tension has been allayed by the salutation.

### *Checks Civilian Background*

**W**ITH the recruit's qualification card, made out at his reception center, before him, the QMRTC classification interviewer reviews the new soldier's civilian background as a precautionary measure. The usual sequence of opening questions follows: "What did you do in civilian life, John? Do you drive? What do you think you might like best to do in Camp Lee?" Truck driving is an important

part of Quartermaster work, making that school, of necessity, the largest of the technical training units. To qualify for this school, prior driving knowledge is a requirement. But the interrogation along this line does not mean the recruit is slated for truck driving. He may have driven a truck several years, and still be qualified through other experience and schooling to be considered for the job of an Army clerk.

It is up to the interviewer, who has received intensive training in this respect, to get the recruit to speak freely. Thus at the conclusion of the consultation, the interviewer is ready to base his recommendation for assignment on past experience and preferences as well as general appearance and aptitude. With the same token, the trainee is satisfied he will be doing his bit for his country whether he is to be a baker, cook, electrician, laundryman, shoe repairman, truck driver, mechanic, machinist, plumber, carpenter, warehouseman, clerk, or any of the other technicians that make up the Quartermaster Corps. He knows his assignment will come within the province of his three choices, with the probability that his number one selection will be chosen, if he is qualified, and if the need of the service present.

### *Final Classification*

PROBABLY as important as the interviewer are the classifiers, who examine the interviewer's report and weigh every potentiality of the recruit. It is their duty to carry out the ultimate objective of classification—assigning the enlisted man to a duty where the Army may obtain full use of his intelligence, education, leadership and occupational skill. While he does not see the soldier, the classifier gets a clear picture of his personality and ability through the interviewer's report and recommendations. Before making final disposition, however, the classifier must take into consideration the quota requirements set by the War Department for the Quartermaster Corps.

All this does not terminate the task of Classification and Assignment. As long as the trainee remains in the QMTRC, members of the section are in constant contact with the man, his associations, his advancements. His ability with the rifle as well as his school grades are recorded. Very often, if he shows special merit, the soldier is sent to an advanced school at some other station, upon the completion of his technical school training at Camp Lee.

Brigadier General Guy I. Rowe is commanding general of the Camp Lee Quartermaster Replacement Training Center. Colonel James L. Whelchel, QMRTC Personnel head, supervises the Classification and Assignment section which is directed by Lieutenant Colonel Lloyd M. Morris. Major Howard E. Page is classification officer. These men see to it that the policy of "fitting the square peg into the square hole" is religiously followed. Unquestionably this policy has helped no little to lift the "combat Quartermaster" to the niche it occupies in the American Army today.



# Book Reviews

*Book Review Editor*, MR. EVERETT VAN EVERY

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## ECONOMICS AND PROBLEMS OF LABOR

By Philip Taft. Harrisburg. Stackpole & Sons. 1942. 994 pp. Price \$4.00

Reviewed by Forest H. Kirkpatrick

This comprehensive textbook is evidently the product of mature teaching experience and a long interest in the problems of labor. Its range is broad, its organization clear, and its content meaty. It is written in a fresh and interesting style and has the merit of being both sympathetic to labor in the Soviet economy or the regulation of certain labor practices in this country. The authors shows at many points a genuine ability to condense important subjects to a minimum without sacrifice of the kind of detail which makes a presentation satisfying. He would have been well advised to use this method with regard to many other parts in which the detail is excessive and in some cases wholly temporary. Within individual paragraphs, the illustrative statistics could have been reduced, and the space used for the more general summarizations and conclusions.

The book is particularly valuable in compact references and restatements of labor history and of economic theory bearing on labor problems. It also has the virtue of being fully sympathetic to problems of scientific and personnel management. Many people whose consideration of the labor problems has chiefly been one of labor's difficulty with employers seem little aware of management's perplexities in administering labor problems and the intelligent means that have been provided for handling such problems. The book could have been somewhat strengthened in this particular. In general appraisal, however, in spirit and content, it is the most satisfactory textbook on the problems of labor now available.

## PERSONNEL MANAGEMENT IN WAR INDUSTRIES

Univ. of Michigan Press. Ann Arbor. 1943. Paper cover. Litho. 170 pp.  
\$3.00

This is a summary of eight discussions sponsored by the Industrial Relations Section of the University of Michigan on important problems of personnel management in war industries. Fifty executives in the Detroit area participated in the conference. Among the topics well handled in this report include Filling Manpower Requirements, Selection & Induction of New Employees, Training & Upgrading Manual Workers, Selecting Foremen, Wage & Salary Determination Today, Adjustment Policies in Stabilization, Absenteeism, Labor-Management Cooperation, etc. There is little original or new material in this report, but it is a good over-all picture of the personnel management job today in war industries.



# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION  
Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 7*

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Management Has the Opportunity to Make Its Greatest Contribution to Winning the War by Adding At Least the Equivalent of Four Million New Workers to the Forces of War Industries.

# Management's Job *in* Labor Utilization

BY T. S. PETERSON

Standard Oil of California  
San Francisco, Cal.

**M**ANAGEMENT's current responsibility for the performance of this job arises from three primary influences, all of which are wartime developments: (1) We have the compelling emergency demands for production at all costs. (2) We have almost a total absence of sound organization planning in many firms, and (3) We have the problem of utilizing the labor of the greatest assortment of inexperienced help ever assembled in industry.

The magnitude of this job in wartime, and the one which will follow during the demobilization period, is indeed tremendous.

## *Bureaucracy in Industry*

**E**VEN in normal times, experience indicates that in any organization there is a constant tendency for its manpower and functions to grow in response to the many demands placed upon it, or the natural desire to expand in size and importance. While all of the people engaged may obviously be busy and, therefore, it is often assumed that the organization is functioning efficiently, a comprehensive analysis of all of the work done usually reveals a considerable proportion of it is not worth doing—it is either unnecessary or unprofitable. In many instances, work handled elsewhere within the organization is duplicated, and even manpower and equipment are duplicated. This is a reflection of the workings of bureaucracy in industry.

Since that is not an uncommon situation in well established firms during peace times, the waste of labor under present war production demands can scarcely be calculated. In the main, labor is employed in industry in about four major groups which may be controlled from the standpoint of effective use along the following lines.

*Line Production*

IN PHYSICAL operations where labor is employed to attend or operate mechanical equipment, and "in line production", manpower control is usually maintained by labor standards. Such standards are established by making time and motion studies under varying conditions and over sufficient periods of time to make them dependable measures of manpower performance.

This type of labor control has been developed to a high point of effectiveness in some industries, and is quite generally used wherever labor is geared to machine production. Experienced industrial engineers can usually detect and offer remedies for wasted labor and other extravagances in such operations. Unfortunately, only a relatively small proportion of the effort employed in industry lends itself solely to measure in terms of units of production.

*Distribution*

IN THE field of distribution, we have the uncertainties of transportation to measure, and where customer relationships are involved, we have the further element of service to appraise and evaluate.

Labor employed in this type of activity may best be measured and controlled by the use of manpower logs. Such logs are designed to readily record during each hour and day such work factors as: loads, trips, serves, deliveries, sales, miles, or other elements of work per man or per unit of equipment.

The essential difference between the use of logs and time and motion studies lies in the fact that logs are for scattered operations not closely supervised and subject to many variables, whereas time and motion studies are most useful in the measurement of mass effort where labor is concentrated under close supervision, and where operations are repetitive.

The log system requires application over longer periods of time and at sufficient intervals to detect the influence of changes in operations, and the many uncontrollable variables. Its value is enhanced by the extent of coverage over similar operations and the accuracy in its preparation. Since employees participate in the preparation of these logs, their use involves a certain amount of training. Here again, they differ from time and motion studies which are made by industrial engineers observing the performance of workers. In some industries, the log system of labor standard has been developed and applied in a thoroughly effective manner.

*Maintenance and Construction*

IN GENERAL, the measurement of labor requirements for maintenance and construction work requires a method of analysis different from those I have previously described. There are, of course, certain repetitive jobs such as routine preventive maintenance overhauls of machinery, boiler cleaning and similar activities for which good labor standards can be established. On the other hand, a large variety and

volume of maintenance and construction jobs are not readily subject to such treatment. For the latter type of activities (construction or the repair of pipe lines may be used as one example), an effective and practical solution to the manpower control problem has been developed. It is not complicated and consists primarily of a visual analysis of work in progress. It *does* require observers with well-grounded experience in economic maintenance and construction practices.

### *Spot Checks*

**B**RIEFLY, the one or more observers make a series of spot checks in the field on 5 or 6 different days, covering the work currently being performed by the entire maintenance or construction organization. Enough time is spent at each job to determine:

- Whether the work should be done at all,
- Whether the job is over or undermanned, and
- Whether it might be done more economically by some other method or by some other agency within or outside of the company.

These data are accumulated on work sheets which call attention to general trends and specific practices that require correction. For example, a considerable amount of labor might be found applying a protective coating to steel structures in a climate where the coating cannot be justified economically from a corrosion standpoint, nor from an appearance standpoint; or a review of the data sheets for the 5 or 6 days may show that a certain pipe fitting group, consisting of a pipe fitter and three helpers, always work together even where they are making up 1" pipe requiring, at most, a pipe fitter and helper.

The observer might come upon a necessary tank painting job where scaffolding is being erected for use of the painters. This, of course, requires a considerable amount of labor, material and time which could be saved by the use of spray painting nozzles mounted on long lances. Incidentally, the latter method eliminates any possibility of an employee falling from a scaffold.

It might also be observed that the organization is performing some unusual work for which it is not properly equipped and which could be done more economically by an outside contractor. A compilation of these and similar factors covering the full range of "spot checks" is then used to establish the size of the maintenance or construction organization needed to meet essential requirements as well as to outline practices that should be changed.

On its first hearing, the "spot check" procedure may appear to have some limitations. However, in the final analysis, actual practice has shown that it works. It has the advantage of making it possible to cover the work of large numbers of maintenance and construction employees in a minimum amount of time. Further, the over or undermanning features are absorbed readily by Job Foremen, who can make use of them for the continuing control of the manpower under their supervision.



*Administrative Staff—Clerical and Accounting*

LABOR employed in clerical, accounting, staff effort and service to other parts of the organization is more difficult to measure and, incidentally, is usually a source of considerable waste and extravagance. Control over this type of labor may best be established through first hand study of each job by experienced organization specialists, or industrial engineers, who are capable of appraising and evaluating the product of individual and collective effort.

The criteria for this appraisal which should precede the establishment of labor standards or manpower controls should be based upon the following considerations:

Should the work be done at all?  
By whom can it best be done?  
How can it best be done?

A critical review of work performed by clerical, accounting, staff and service people almost invariably reveals wasted effort, and the possibility of important economies in one or more of the following forms.

*Important Economies*

AN IMPROVEMENT in the tempo of performance where this is left to individual decision.

Where there is a marked tendency for each unit of the organization to be self-sufficient and consequently to duplicate effort elsewhere.

Where there is insufficient attention given to improvements in methods and systems.

Where there is a disposition to elaborate beyond the point of necessity.

It is a common practice to continue clerical activities and administrative services when the need for such no longer exists.

Most systems employed in the administration of industrial and business organizations have been developed piece-meal over long periods of time. It is a rare case that a going concern is enabled to start from scratch with completely remodeled methods, consequently they resemble a house that has been constructed one room at a time by different tenants without benefit of architecture.

Detection and correction of this situation, which I can assure you is quite common to all types of industries and business, requires constant study and the development of plans to meet essential needs without frills.

Some companies make such analyses on a continuing basis, through a central staff agency, and by means of specialists attached to the larger departments.

All of the functions being performed by a department can be examined by surveying in detail the activities or duties performed by each of its individual employees. This is usually done by having a member of the reviewing agency spend a day or more with each man to study his activities, both as to their character and the time they

require. This is supplemented by a statistical summary of the work performed over a representative period. When all the jobs have been surveyed in this manner, the resulting inventory of activities is carefully analyzed.

### *Control Set-up*

THE many functions, reports, and other work are considered in relation to the requirements of the business as a whole; and those which are not essential are eliminated. The remaining essential activities are next simplified as far as possible, and the most efficient methods and procedures for performing them are established. These eliminations and changes in method make some entire jobs unnecessary, and result in many fractional jobs. Related activities are then arranged into logical full-time assignments by combining these fractions. This permits further reductions in the number of positions.

Finally, each necessary job or group of like jobs is covered by a specification which shows not only the activities to be performed, but also what constitutes satisfactory performance and how it is to be measured. From this basic analytical process comes the information for determining:

1. The essential departmental activities.
2. The best methods for performing these activities.
3. The number and type of people required.
4. The pattern of organization.
5. Relative job values and classifications.
6. Standard costs.

Having established the necessary functions and the manpower to perform them, some control must be set up to assure that the organization is kept currently in line; otherwise, it tends to revert to its old faults during the changes and additions which naturally follow the fluctuations in business.

### *Depression Experience Reversed*

THE foregoing is a brief outline or characterization of various kinds of industrial activities where a large proportion of labor is employed, and some of the methods of labor measurement and control.

Organization planning and manpower control methods received a tremendous amount of study and attention during the depression when it became necessary to adjust forces to meet the rapid decline in production and sales.

Because most organizations had experienced an uninterrupted 20-year period of expansion, management had had little experience in dealing with a reverse situation on a scale produced by the lean years of the early thirties.

There were two avenues of approach to the problem of retrenchment—by arbitrary decision to make drastic reductions based upon some predetermined percentage, or by adopting the more constructive course previously described of reviewing each

job to determine its necessity under the restricted operations brought on by the depression.

Enlightened methods of control over organization and labor received their greatest advancement through the adoption of the latter course, which in a large measure is an application of the principle of fiscal budgeting to manpower and organization. As a matter of fact, this control over labor and payrolls actually forms a part of some companies' overall budgetary plan.

In many organizations, this principle was developed to a point where labor and production standards would daily reflect manpower requirements, and thus provided a basis for hirings and layoffs. It is entirely possible that through lack of overall planning, the continuity of individual employment was unnecessarily interrupted by close application of labor standards. In other words, a back log of necessary work is desirable to cushion the impact of employment under close labor control. You will observe that I stressed *necessary work* and not made work.

### *Labor Standards Being Lowered*

UNDER the stress of war production and the dislocating effects on employment, the control over labor through the application of standards is steadily being subordinated to other considerations. It is understandable that vast numbers of inexperienced people, including women, cannot be inducted into industry to replace men going into military service, and to meet the demands for increased war production without some loss in labor efficiency. Obviously pre-war labor standards must be revised or temporarily suspended during the induction and training periods of large numbers of inexperienced people.

Again, Government regulations have imposed a heavy burden on clerical and staff organizations to interpret orders and directives and to answer questionnaires of little or no apparent benefit to the actual production of either war or industrial materials. Labor employed in supplying information to government agencies should be earmarked for more productive work when wartime controls are relinquished.

### *Creeping Paralysis*

ALL of these developments have contributed to a feeling throughout industry that is most difficult if not futile to attempt to utilize labor in a period of wartime production on any basis approaching sound labor control. As a result of this attitude, we are facing the following developments.

The breakdown of labor controls which have been built up through the expenditure of much time and money.

The hoarding of labor under a "production at any cost" philosophy of management.

A slowdown on the part of the experienced employee to the gait or tempo of the inexperienced worker.



The overmanning of jobs through light assignment of duties to women, youths and the physically handicapped.

As stated previously, some allowance in manpower performance must be made in a transition period of the extent and magnitude we are now experiencing. However, the fallacy of allowing prewar standards and controls to be discarded may well be likened to resigning oneself to the progressive stages of creeping paralysis.

Because waste is inexcusable under any circumstance, management should most certainly direct its efforts to the effective utilization of labor through a studied program designed to recapture some of the high standard of production which made this country number one among industrial nations:

To accomplish this, I invite your consideration of the following.

### *A Day's Work for a Day's Pay*

**T**HROUGH the combined efforts of line organization supervisors and experienced industrial engineers, develop a program of labor conservation based upon the premise that a reasonable day's work is expected from each employee for each day's pay.

Review physical operations and historical data (if any) on production standards. If standards have never been used, it may be necessary to draw upon the experience of foremen in approximating the rates of production in pre-war periods, and then check results against basic production and payroll records.

Make a comparison of present day manpower used in such operations against the manpower allowance if the pre-war standards were applied.

Revise the standards or establish new ones in the light of present day requirements to permit their application on a reasonable basis under current conditions.

Enlist the aid of management and supervisors in effecting the realization of the pre-war conception of a fair day's work.

The question may logically arise "Can we develop labor controls in this manner"?

I would like to cite the following as evidence in support of the proposition that this can be accomplished:

### *Army Studies Non-combat Personnel*

**T**HE United States Army has recognized the need for more effective utilization of labor in its non-combat military post organizations. Through the efforts of the Gasser Committee the Army has worked out new tables of allotments which establish manpower controls over both civilian and military personnel. These controls are now in the process of application.

At one post with which I am familiar, the new table of allotments confirmed the recommendations of an industrial engineering group which had previously surveyed the post, and whose recommendations, pointing to a 25% reduction in civilian and non-combat personnel, were accepted. The methods used by this industrial



engineering group were similar in principle to those I have previously described. This example further illustrates the obligation on industry and business to place its house in order.

It is within the realm of reason to assume that such a program can be designed so that it will appeal to the employees as well as to the supervisors in that it furnishes a recognized measuring stick which can be applied uniformly throughout operations. It provides a means by which the employee is protected from the over-conscientious supervisor sometimes referred to as a "slave-driver", and furnishes a means by which pressure can be exerted by employees in a group on one of their number who is shirking his share of the work.

### *Urge for Improvement*

**T**O BE successful, production standards should provide an urge for improvement. If the supervisor and the man himself recognize that the standard rate for a job is practical and attainable, there is a tendency on the part of both to object to any conditions which will not permit meeting the standards. This creates a self-policing effect.

On the other hand, production standards must not be so stringent that they are impossible under normal operating conditions. If standards are considered impossible to meet, the urge to attain that rate of production is considerably minimized, and in time such standards will be completely discarded.

An effective standardization program must be kept simple in order that it may be properly understood by those who are to apply it and in order that the procedure for accounting in accordance with the standard is practicable from a clerical viewpoint. It is quite common for a standardization program to bog itself down with clerical details, requiring a large volume of clerical labor and resulting in statistics which completely hide the real bottlenecks. In such cases, the program ceases to be an administrative aid.

### *Bring in Line Supervisor*

**A**T THIS point let me direct your attention to the line supervisor's part in this program. He should participate in its development to a point where he will defend the labor standards to his subordinates. The staff work should be done in such a manner that the supervisor will feel that the objectives are sound and are to be attained by collaborative effort, and not by one group cracking the whip over another. Every effort should be made to encourage a sense of proprietorship in both the standards and the results of their application.

Again, when production reports indicate that labor is being used in excess of standard allowances, supervisors should be encouraged to look upon this as a flag to investigate the cause without waiting to be called to account. It should always be considered as a challenge to supervisors to determine methods for improvements.

Keep them conscious of the fact that a comfortable organization is never an economical one.

In general, items of labor not standardized should require specific approval by the supervisor in advance of doing the job. Again a word of caution—keep the procedure simple, but let the decision be made by the supervisor nearest to the work to whom the authority can be appropriately delegated.

### *Conclusion*

**A**T THE risk of repetition, industry's number one job is to help win the war in the shortest space of time. I hold that we are doing a poor job when the waste of labor is estimated to be equivalent to from 4,000,000 to 8,000,000 workers. (This is calculated on the basis of from 10% to 20% of 42,200,000 people employed in other than agricultural activities.)

Management has the opportunity to make its greatest contribution to winning the war by adding at least the equivalent of 4,000,000 new workers to the forces of war industries.

There is a three-fold obligation on management to do this job now.

First: There is the moral obligation to perform the patriotic duty of every responsible citizen, employer and employee alike, to do a fair day's work at home when millions of our sons are fighting for their lives and ours under the terrible conditions of warfare abroad.

Second: There is the obligation to preserve the economic structure of this nation by preventing the dry-rot of inefficiency from being projected into the post-war period.

Third: There is the social obligation to preserve the production rates and efficiencies which have given us the living standards of a free people and which must be maintained if we are to compete in world trade with races having neither standards nor freedom.

*From an address to the California Personnel Management Association.*

An Employee's Appeal Against a Lowered Efficiency Rating Turned out to be, When Discussed by a Committee, an Appeal for Liberation from Oppressive and Inferior Supervision.

# Should Employees Rate Supervisors?

By W. S. HARRIS

U. S. Department of Agriculture  
Washington, D. C.

IN THIS article the proposal that the employee should rate his supervisor is advanced and analyzed. A rating sheet listing important elements of effective supervision concludes the discussion. The proposal that the employee rate his supervisor may be novel to some readers, and for this reason it may be advisable to inspect the foundations on which this technique to obtain improved quality of supervision must securely anchor itself before it can be called practicable. In order to gain perspective for the focus of our critical faculties, let us consider whether there has been any change in modern job relationships that could make feasible and practicable what was once not feasible and not practicable.

## *Basic Change in Modern Relationships*

THE history of the last 30 years, and more particularly the last 10 years, has been a history of swift development of restrictions that hamper supervisors in taking any drastic action that concerns the individual employee. What individual supervisor can make a single unlimited decision that will seriously affect the destiny of an individual employee without reference to other supervisors or other officials? Employee transfer, a dismissal, a disciplinary action, a downward movement in the efficiency rating can quickly and in some cases automatically involve what amounts to committee conference by personnel experts, superior supervisors, efficiency rating committees, or grievance committees. The committee method of running affairs is today so much in effect that many persons do not see this as a revolution in management but keep looking away from the real to the hoped-for revolution. In the very center of democracy on the job they look away, scanning the horizon for the first

appearance of "Democracy on the Job." The individual supervisor has largely lost unqualified power. He has all powers he ever had—the difference is, he can exercise them only with the concurrence of others.

### *Are We Lagging?*

THE way in which we are organized today is not the way we were organized 50 years ago, nor will we have the same organization 50 years from now. Any present organization accommodates and reflects certain basic ideas of the way to do things. When basic ideas of organization change, methods of organization change. What has this to do with the matter of employee rating of supervisors?

Just this—that it is possible that our ideas, the ideas basic to organization, have so changed in this matter that we are fully ready for employee rating of the supervisor, whereas present practice does not yet include this powerful instrument for locking senior supervisor, sub-supervisor, and employee into a tremendously increased efficiency as a productive combination. If present practice does not yet reflect change in basic conception, it will not be the first time that there has been a lag between changed concept and up-to-date application of proper organization.

The truth of the matter is that a suggestion that the supervisor be rated by his employee reflects a proper, modern method that expresses, and does not conflict with, a presently effective new democracy. The democracy on the job which is not to come, but exists today, logically calls for recognition of employee responsibility through a rating of the supervisor. This method will bring employee and supervisor to a complete realization of their mutual interdependence, of their powers for mutual development, and of their obligation to cooperate. It is time to cut new cloth to fit new needs. The old methods, traditions, and formulas are the deposit of the past. The day has come for new methods that are flexible and expressive of a new conception of intelligent social cooperation.

### *Scattered, Bored and Trivial Preoccupations*

COOPERATION, whether conscious or unconscious, is the foundation of society. In office and factory its object and result are production. If people will produce better by being driven, if they expect to be and want to be driven, then they should be driven. But when men begin to take pride and joy in work, when they are drawn to work by the magnetic urge to achieve, more than they are driven by the pressure of necessity, we may well change our methods to concur with the direction of this mighty tropism. If, in the words of Ordway Tead, "Management by domination gives the lie to human nature because it fails to recognize how deeply people are ready and waiting to be summoned to some enterprise which will take command of their scattered, bored, and trivial preoccupations," then perhaps we should adopt some practical measures that will throw the switch and send out real productive power from this dynamic principle.



Frederick J. Taylor long ago demonstrated the difference in production by the "average" workman and the workman who "wanted to produce." H. H. Farquhar says, "It is not an exaggeration, I believe, to say that the average American worker, whether in public or private employ, today gives less than three-fourths of the production which he could readily give, which he would gladly give, were he properly led. . . . Management must recognize that its task is one of developing men, and must study the things that prevent employees from making their full contribution. . . . Prime emphasis must be placed on the development of men and women to think critically and act constructively on their own and management's problems." If these things are true, can we afford to brush lightly over a method that will serve as a connecting rod to bolt employee power firmly into production.

### *Multiply Your Energies*

THERE is no question but that the man who can inspire others with a will to work enormously multiplies his own energies. But how few supervisors present an example of inspiring leadership. Without any question, supervisors long for the power to motivate the employee, but fail and wonder why they fail. If those who fail do not know why they fail, is it not logical to permit those who know why they fail—their employees—to tell them why. H. E. Eisler, looking from the employee point of view, writes in the October issue of the *Personnel Journal*, "To the worker are revealed weaknesses of which the boss is seldom aware. If he were apprised of them he would traverse his road with less assurance in his capabilities as a supervisor, and he might be aided to achieve the kind of competence and understanding which administration is seeking."

### *The Supervisor*

IT HAS been said that one of our most precious national resources is the competent management of men. This resource lies in the brains of the Nation's supervisors. More and more attention is being given to the supervisor, to his importance, to his potentialities for a good and bad effect on production through his leadership or lack of leadership of men. He has been called a keystone of the production arch. His is a pivotal position, since he serves as intermediary between employee and top management. Thorough-going efforts are being made to train and retrain him.

He is important, and he likewise is, on the average, ineffective in many respects where he could be effective. He can make himself, and he should be made to make himself, more effective. Efforts now being exerted to train the supervisor merit praise and should be redoubled. However, it is time we recognize that all training programs, all self-training efforts, all analyses of sub-supervisors by superior supervisors are defective in one respect—the leadership qualities of the supervisor are not being evaluated by the real authority on the subject, the employee supervised.

*Who Knows Whether a Supervisor is Good?*

WOULD real improvement in quality of supervision be a sufficient justification for such an outrage upon supervisory authority? What would become of discipline? What would keep the supervisor from swinging away from loyalty to top management to loyalty to rank-and-file employees? Will he not begin to look to employees, who may thus gain power to maintain him in, or eject him from, his supervisory office, as the true source of his authority?

If management were convinced that it is essential that all effective steps should be taken to make supervision more competent, then a highly effective method for perfecting supervisory techniques and for improving supervisors' personal traits would be in almost universal use. So far as is known, this method is not now in use anywhere. This method is employee rating of the supervisor. It may not be here now, but it will come—because it is logical, helpful, and consistent with modern job conditions.

If employee rating of supervisors were put into universal effect, many production-decreasing, morale-destroying personal traits and methods of supervisors would disappear, plus in many cases, the supervisors that possess them. Would the disappearance of such supervisors increase our national resource of competent direction of men or decrease it? What would it mean to production and the morale that is behind production? What would it mean if emotionally undeveloped, asymmetrical, warped, hypocritical, suspicious, weak, disagreeable, disloyal, and inhumane supervisors or their undesirable traits should disappear?

Is it important enough to justify employee rating of the supervisor to have a supervisor who understands the men who work for him, who is friendly, considerate, impartial, who recognizes the principle of personal worth in the workman, who is just, who encourages employees, inspires them, gives credit for achievements, helps the employee reach higher goals of achievement, helps him build confidence in himself, who is loyal to his subordinates, and is serious about the job of being a better supervisor? If this kind of supervision is important, as of course it is, it will come faster through employee rating of the supervisor than through any other method. Why? Because, *just as the employee depends on the supervisor for his development, so the supervisor depends on the employee for his full development.*

*No Gipsy Rose Lee Stuff*

WILL this new recognition of the importance of the employee in the development of the supervisor consist of a grant of naked authority to the employee? Will he have unlimited power to express his will or his prejudice? Rather, is it not likely that any increased power of the employee will carry out the theme of modern organization in being limited and modified by a multitude of checks and restraints embraced in the concept of "democracy on the job"? Democracy on the job, to venture a definition, essentially consists of giving representation to all persons who

have an interest. It is most unlikely that employees will achieve any new unmodified power over the supervisor.

An important consideration that will bear heavily on the possibilities of a plan for employee rating of supervisors will be the attitude of the employee. What attitude will he show toward a new responsibility such as this? Is it possible to predict his reaction to a proposal that he rate his supervisor?

### *The Modern Employee*

**W**HAT kind of person is the modern employee? Individuals vary but, in general, the modern employee's personal philosophy will be of the democratic brand. In other words, he will (1) oppose the concentration of privilege, (2) he will question unmodified authority, for to restrict the authority of others is to enlarge his own, and (3) he will seek responsibility, even though it be the penalty of authority, for to bear responsibility guarantees his own development and importance.

These three characteristics add up to one thing: The employee will desire to cooperate democratically with his supervisor and with other employees by sharing authority, responsibility, and privilege and he will be watchful and suspicious of all supervision that deviates from this cooperative theme. These three motives give direction to the basic tendency of the modern employee. The effect of this tendency is that employees will desire to participate in the development and execution of policy and procedure. Such desire for participation adds up to employee pressure for ever greater democracy on the job.

### *Employees Will Welcome Opportunity*

**A**GAIN, it must be said that individuals vary but, in general, the opportunity to rate his supervisor will be most welcome to the employee. The fundamental reason why he will welcome this opportunity is that he realizes his extreme dependence upon the supervisor for his own development. Employees seek good supervisors; they appreciate them. They trade off unworthy supervisors for supervisors who will give inspiring and competent leadership, who will let them share responsibility, from whom they can learn proper work habits, can engage in a maturing cooperation in the day's work, and thus come to develop their own potentialities and achieve the most wholesome attitudes and the finest personalities.

### *Responsible Employee Attitude toward Rating*

**W**ILL an employee's response to an invitation to rate his supervisor be an irresponsible one given over to prejudice and attempts to revenge himself on his supervisor for real or fancied wrongs? Will the rating be an opportunity for him to get even, to tip the scales in his favor, to defeat an authority that is naturally distasteful to him? Some of these arguments have been used in the past against rating of employees by supervisors.



A majority of employees possess proper attitudes. There is reason to believe that serious, responsible employees with proper attitudes toward good work, who have a competent sense of the problems of the complex work organization and of the financial, psychological, and social difficulties inherent in the whole work relationship, will approach their new responsibility with a realization of its challenge to their fairness and its possibilities for their own future development.

The road of development for the individual employee is a road that leads toward heavier assignments of responsibility. It is responsibility that matures, that develops, and that enriches personality—responsibility, plus the experience and learning that responsibility entails. Men do not grow to render greater service through assignments of progressively lesser responsibility. For this reason, assignment to the employee of the job of rating the supervisor, thereby calling on him to aid in the supervisor's development, and giving him a modicum of control over his own development under the supervisor, is an assignment that will sober and mature the employee. In his eyes, it will make him and his work more important in the scheme of things.

### *Interest in the Job Follows Responsibility*

WHAT effect will this assignment of new responsibility to the employee have on him? What effect does the assignment of responsibility always have on an employee? The first effect is a new and deeper interest in the job. Suppose we consider two common responsibilities that employees have. First, the most important responsibility the employee has is doing his assigned job. Why are supervisors instructed to take the trouble to assure employees of the importance of the work that they do? Simply to emphasize the importance of the responsibility of the job to the employee so that he will take more interest in his work. Second, employee suggestion plans contain a moral on assignment of responsibility to the employee. Why should suggestion plans attract the interest and support of the employee relations department and equally of all supervisors? Because through successful operation of a suggestion plan, employees can be given an added sense of responsibility for their work.

The result of this process is that, through a suggestion, employees acquire what amounts to a managerial sense of possession and ownership. The employee who has made a suggestion for the improvement of his work is no longer the same employee, but a different one. A man who has taken the trouble to invent, who has given serious attention to his own efficiency, will have assumed greater responsibility and will have acquired a more firmly rooted interest in his job.

### *Sober and Mature*

BECAUSE the assignment of the new rating responsibility will sober and mature the employee and make his work more important to him, it will make him a better employee, a better workman, a more valuable servant of the institution by which he



is employed; he will respond with greater loyalty and cooperation, he will work more closely with the supervisor, he will more clearly understand the processes by which he is himself rated. As he develops toward the supervisory positions that are opened to him, he will benefit by the lessons he has learned as an employee in rating his supervisor.

### *Employee's Ability to Rate*

ONE of the most notable and consistent characteristics of all supervisors is their continual preoccupation with analysis of their employees. This tendency of the supervisor to be ever working at the job of analyzing his employees, familiarizing himself with their capacities in order to assign the proper employee to get the job done, is matched by the analytical interest of the employee in his supervisor.

Just as the supervisor's formal efficiency rating of an employee is but a formal expression one day in the year of what the supervisor does by way of analysis each day of the year, so is the employee's rating of the supervisor a natural one-day formal expression of what he, too, does each day, each year, in the way of rating his supervisor. Admitting for the moment that the employee is able to rate, how valuable will the employee's rating be to the supervisor?

### *Benefits of Employee Rating of Supervisor*

THERE are two practical benefits directly pertinent to supervision to be obtained by the employee's rating of the supervisor: (1) It supplements in an authoritative way the supervisor's information on the leadership qualities of the sub-supervisor; (2) it trains the supervisor and potential supervisor in an emphatic way about desirable supervisory leadership qualities.

### *Supplement to Supervisor's Information about Sub-supervisors*

IN ACCORDANCE with existing procedure, the senior supervisor is called upon to make routine efficiency rating of each supervisor that reports to him. Of course, the supervisor is able to rate his supervisory employees just as they in their turn are able to rate their nonsupervisory employees. But consider that when he rates the sub-supervisor on leadership qualities he is rating on elements that have their full effect on the employee, and that can be measured only by their success in drawing out the proper response in the employee.

### *Two Main Elements of Supervision*

TO MAKE this point plain, it is necessary to divide supervision into its two basic constituents. The first of these constituents is technical proficiency (procedure). The second is leadership (men). Balanced supervision is technical proficiency plus leadership. The element of technical proficiency stands for supervision that knows how to, can, and actually does at any given time produce on the job. It does not include ability to keep the shop producing at a stable or growing rate

of efficiency. In actual practice it is often seen that technically proficient individuals without leadership qualifications often lower or destroy the preexisting rate of efficiency.

Technical proficiency, then, means technical knowledge, experience, and executive skill necessary to run a work group without reference to future ability to attain or maintain an ideal rate of production. Leadership as an element of supervision concerns ability to manage men so that future production will be not lower than, but possibly as high as or higher than, present production.

### *Lower Supervisors Serve Employees*

IN MATTERS that pertain to technical proficiency and executive skill, the subsupervisor is serving the supervisor, and the supervisor is the most competent judge of his performance. But in matters of leadership, the subsupervisor, in a sense, serves the employee and he has his effect in a subtle, imponderable, psychological modification of the employee's morale or "will to work," that is not easily and accurately measurable by the supervisor. How often it is true that even supervisors who have accurate knowledge of leadership qualities through keen powers of assessment and years of experience in analyzing these qualities in their subsupervisors are unable to make accurate estimates as to existing states of morale in a subsupervisor's group. Supervisors know how difficult it is to make an accurate forecast based on their knowledge of existing morale, and if they cannot make accurate forecasts they cannot estimate future as against present production. Too often it has happened that supervisors have been unable to make the forecast of a coming break-down in production (or in workmen) that would have allowed prevention instead of drastic cure.

### *Covering Up*

THE supervisor can effectively rate the subsupervisor on such qualities as initiative, judgment, dependability, management ability, accuracy, industry, appearance, perseverance, adaptability, thoroughness, and willingness to accept responsibility. However, on the qualities that are counted on to inspire the employee to greater production, the supervisor may logically go to the employee.

Furthermore, the subsupervisor may present to the supervisor an appearance entirely different with respect to leadership qualities from that which he presents to the employee. He may express to his supervisor an interest in and loyalty to employees that does not exist in actual dealings with them.

The supervisor can never know the leadership qualities of the subsupervisor as accurately and extensively and to the degree that employees know them, for they feel them and are moved by them. The essential distinction between the supervisor's as against the employee's knowledge of subsupervisors' leadership qualities is the distinction that exists between "general" knowledge and "specific" knowledge. The supervisor is the one most interested in and the best judge of the subordinate's

technical proficiency, but he is not the best judge of his leadership qualities. Those supervised are the best judges of that. They are the ones who are inspired or discouraged; they are the ones who can give from genuine experience most numerous first-hand instances of his good or bad leadership.

### *The Employee Is the Authority on His Supervisor*

ORDWAY TEAD has said that the criterion of a good executive has become the "ability to involve in a positive and exciting way the talents of those associated with him and the measure of his quality as a competent executive has become his ability to get results by drawing out talent, fixing credit to suggestions, and securing a total delivery of output by an exhilarating collaboration of minds stimulated to contribute rather than made resentful and reluctant by the implied command to know one's place and keep within one's own customary duties." Who is most likely to know when he has been "involved," "drawn out," "exhilarated," and "stimulated"? The beneficiary of the leadership, of course.

The employee's rating of the subsupervisor will give the employee an opportunity to express satisfaction or dissatisfaction with leadership qualities of his supervisor. It will serve as a formal channel by which to criticize irritating and hampering features of supervision. Can there be any question that the use of the rating sheet will serve as a powerful stimulus to self-development of supervisors? The qualities on which the supervisor will be rated may have long been appreciated by him as desirable personal traits or methods of supervision. He also may have lacked, until he comes to be rated, the proper stimulus to acquire those traits and methods.

### *Give Him a Poke*

THIS necessary, highly important stimulus will exist when the supervisor learns that he is to be rated on his leadership qualities. The effectiveness of the stimulus toward formation of the best supervisory traits and techniques is sufficiently clear. Little elaboration is needed, but it might be well to observe that supervisors enjoy their share of inertia with respect to self-improvement. A powerful stimulus is needed. The employee's rating will supply it. Is the stimulus too potent? Before you answer, consider the many criticisms that have been voiced of the quality of modern supervision. Do we need better supervision or are tributes to the importance of good supervision merely idle conversation?

*The rating may elevate or lower the value of the subsupervisor to the supervisor.* The possibility of change in the subsupervisor's status as a result of rating by employees is the basic stimulus toward improvement of his traits and methods. If the supervisor's evaluation of the subsupervisor has been an accurate one, the rating by his employees will result in a 100 percent substantiation of the supervisor's opinion of the work of the subsupervisor. But if the rating reflects serious weaknesses on the part of the subsupervisor, the value of that subsupervisor will fall and his reevaluation at a lower level will be quickly and emphatically brought to his attention.



Recognition and, perhaps, fear of the emphatic training value in this process should be combined (1) with the consideration that full control will continue in the hands of the senior supervisor, and it will be his complete responsibility to interpret the findings in terms of the sub-supervisor's performance, and (2) with the further consideration that an inferior supervisor is a very expensive employee.

### *Rating Does Not Weaken the Authority of the Supervisor*

THE use of a rating sheet for evaluation by employees of leadership qualities of supervisors cannot weaken the authority of those supervisors over the employee. The authority of the supervisor is derived from two sources: (1) the supervisor inherits the powerful authority resident in his office; (2) he exercises authority derived from his personal qualities of natural leadership. It is the weak supervisor who relies to any important extent on his official authority, and only a senior supervisor can reduce the official authority described in (1). The effective supervisor operates almost entirely on personal authority derived from his natural qualities of leadership. Of course, the authority of his office is subtly interfused with his natural authority, but he will conceal the fact that he possesses official authority by never displaying it, relying always on persuasion and explanation to obtain compliance. As for the second source, the supervisor who submits himself for rating by his employees can only add to his personal authority by so volunteering. Thereby, he will gain respect from them for his courage, and for his willingness to learn from them, and to work courageously at the job of being a better supervisor.

### *Introduction of the Procedure*

AT THE time the rating sheet is being introduced, and perhaps during the early years of its use, it may be advisable, depending entirely on the individual plant, to provide for the anonymity of the rater. In general it can be said that where employees desire anonymity most, there exists greatest fear of the supervisor being rated, and there the rating is needed most. Employee fear of the supervisor is not compatible with genuine collaboration on the job.

### *Procedure Not Universally Applicable*

THERE are situations where employee rating of the supervisor may not be particularly applicable, helpful, or necessary. Officials served by one or two secretaries might well be omitted from the rating process, at least in the experimental stages. There are other exceptions.

### *Evaluation of Employees' Report on Supervisor*

WORK should be clearly seen to be what it is "cooperation for work purposes between supervisor and employee, both of whom share responsibility for production." Too often the supervisor is looked upon as sole bearer of responsibility,



whereas it is clearly a dual responsibility. One of management's largest problems is development of an adequate conception of his work responsibility in the employee. Employees know they have an interest in work policies and operations. In some instances they will organize and demand representation; in other cases they are apathetic and discouraged before the problem of gaining representation.

### *Democracy Not Dead But Living*

IT is management's responsibility to understand and use the knowledge that democracy is not a dead but a living thing and that in our plants there are at work employees who desire management's respect for the principle that lies at the heart of the democratic process—giving representation to all who have an interest.

Employees have an interest in the quality of their supervision. Acceptance of a procedure for employee rating of the supervisor will allow employees to effectively demand supervision of the type they want and may we not say of the type that management wants to give them.

Provision should be made for a method by which obstacles to efficient cooperation for work purposes can be brought to light, studied, and corrected. The employee report on his supervisor will serve as a mirror in which employee dissatisfaction arising from the employee-supervisor relationship can be reflected. If we will keep the goal "Effective cooperation for work purposes" always in view, then this proposed new tool for assisting management to achieve this end can be evaluated more objectively.

### *The Rating Sheet*

THE following rating sheet on which the employee may evaluate the leadership qualities of his supervisor will contain those elements on which he may be expected to have an authoritative opinion. The elements on which the senior supervisor is the principal authority will not appear on the rating sheet. The rating sheet will isolate and emphasize the principal leadership qualities and will ask for rating in terms of performance through which those qualities are expressed. As with the best efficiency rating forms, the elements should principally be the "doing" elements and describe performance, not the doer.

# PERSONNEL JOURNAL

## EMPLOYEE'S REPORT ON SUPERVISOR

As of \_\_\_\_\_ based on performance during period from \_\_\_\_\_ to \_\_\_\_\_  
 \_\_\_\_\_ (Name of supervisor) \_\_\_\_\_ (Title of position) \_\_\_\_\_ (Department)  
 \_\_\_\_\_ (Division) \_\_\_\_\_ (Section) \_\_\_\_\_ (Subsection or unit)

*On lines below mark supervisor*

- + —To indicate outstanding quality of trait or performance.
- ✓ —To indicate adequate quality of trait or performance.
- —To indicate weakness in trait or performance.

### Emphasis

### Trait or Performance

- |       |       |  |
|-------|-------|--|
| _____ | ( 1 ) | Thoroughly understands the work you do                         |
| _____ | ( 2 ) | Respects good work and good workmen                            |
| _____ | ( 3 ) | Sets reasonable dead lines                                     |
| _____ | ( 4 ) | Gets his own work done on time                                 |
| _____ | ( 5 ) | Is careful to see that you work under good conditions          |
| _____ | ( 6 ) | Is easily accessible   |
| _____ | ( 7 ) | Is friendly  |
| _____ | ( 8 ) | Is sympathetic   |
| _____ | ( 9 ) | Is helpful   |
| _____ | (10)  | Gives clear, complete, definite instructions                   |
| _____ | (11)  | Gives instructions in a considerate manner                     |
| _____ | (12)  | Impartial and consistent in making assignments                 |
| _____ | (13)  | Selects best qualified employees for promotion                 |
| _____ | (14)  | Even tempered  |
| _____ | (15)  | Just in dealing with your errors                               |
| _____ | (16)  | Controlled and impersonal when he criticizes you               |
| _____ | (17)  | Reprimands in private  |
| _____ | (18)  | Accepts full responsibility for his own errors                 |
| _____ | (19)  | Explains the purpose of the work you do                        |
| _____ | (20)  | Trains you despite pressure of other work                      |
| _____ | (21)  | Regularly and constructively criticizes your work              |
| _____ | (22)  | Encourages questions and suggestions                           |
| _____ | (23)  | Gives you credit for your achievements                         |
| _____ | (24)  | Helps you set and reach higher goals of achievement            |
| _____ | (25)  | Gives you more responsible work as you develop                 |
| _____ | (26)  | Shares responsibility through genuine collaboration on the job |
| _____ | (27)  | Helps you build confidence in yourself                         |
| _____ | (28)  | Has confidence in himself                                      |
| _____ | (29)  | Loyal to all subordinates                                      |
| _____ | (30)  | Has broad vision   |
| _____ | (31)  | Consistently sets a good example                               |
| _____ | (32)  | Tries to be a better supervisor                                |

Mention any other elements considered, and make any narrative comments, criticisms, or suggestions below.

Rated.....  
 Date

In One Plant the Whistle Blows at Ten Minutes after Ten Every Morning. No One Knows Why. The Order Was Given by a Former Superintendent Whose Rules Have Outlived the Man Himself.

# Industrial Relations Research

BY DWIGHT L. PALMER

Lockheed Vega Aircraft Corporation  
Burbank, Cal.

LIKE countless other fields of activity, the whole area of research in industrial relations has received a tremendous impetus from the demands of a wartime economy. Unlike some other activities which thrive principally because of wartime needs, industrial relations research has its proper role in wartime and in peace.

A successful program for industrial relations research will be characterized by the following traits.

It will make full use of the knowledge and methodology of *each* of the Social Sciences, such as, psychology, anthropology, sociology, group behavior and even economics.

It will be carried on through the cooperation of several trained research people, rather than by the individual efforts of any one person.

The research group will be organized so that senior analysts may retain single responsibility; at the same time, the junior members of the group will function on a fluid basis, so that available manpower can be shifted easily as different needs arise.

The research group will confine its activities solely to fact-finding, interpretation and analysis, summarizing and making recommendations for administrative action. In no case shall it undertake those functions which belong to administrative groups.

## *A New Profession*

THE area of industrial relations research constitutes a new profession for which the proper keynote, motto, and rules of conduct are only now emerging on a full

professional basis. Defined in these terms, industrial relations research constitutes a new frontier in industry's efforts to solve problems through the application of scientific, well-proven social methods of approach and analysis. Both now and in the postwar period, the opportunities for useful endeavor which lie within the field of industrial relations research offer as fertile a field as any in the whole range of industrial organization and management.

The difference between research of this kind during the war and after the war is primarily a difference in degree, not in kind. The rapidly developing and always changing factors in industrial production of equipment for the armed forces have confronted research men in industrial relations with a multitude of problems which must be answered almost on the spur of the moment. Such assignments we may refer to as "quickies", and for the duration of the war these will probably constitute the major part of our work.

However, there is still opportunity for research on projects which require several months for completion, and a more restricted opportunity to work on long range projects. In the postwar period we may logically expect a change in emphasis away from the "quickies" to the more soundly based development of those long range projects which constitute an integrated research program.

### *Clear Understanding Necessary*

WHETHER the work is done under the pressure of wartime conditions, or under the perhaps only slightly less fluctuating conditions of a peacetime economy, the industrial relations research program can be successful only if it is based upon a clear, concise understanding of the meaning of Industrial Relations Research.

In studying foreign languages, we make a constant effort to understand the words we read and use. We are careful, lest the mistaken or inaccurate translation of a single word may lose us the meaning of a whole idea. Yet when we speak or write in our native language, many of us are all too often careless and inaccurate in our terminology. Hundreds of times each day we may hear people using words or phrases which are given different meanings by different speakers, or which are used with no meaning at all.

Within the past few years the phrase "Industrial Relations Research" has gained the attention of management and labor alike. For two major reasons, a discussion of Industrial Relations Research must be preceded and accompanied by a definition of the name: (1) Because research in Industrial Relations is very new, the term has been used to cover a great many activities. (2) Because the history of Industrial Relations Research lies in the future, not the past, the tremendous scope of this new and uncharted area is not easily stated.

The simplest and most effective way for us to grasp the real meaning of an Industrial Relations Research program is to examine the meaning of the three words which comprise the phrase by which this new field is known: industrial, relations, and research.



*Industrial*

FOR our present purposes, three aspects of the word Industrial need to be examined. The major goals of our economic life constitute perhaps the most essential elements within which we must operate and toward which we must strive. *The Economist*, the British business man's journal, has stated its prophesy on future economic goals in no uncertain terms:

In the twentieth century, economic policy has three objects. They have been defined by Professor Pigou as being to increase the national income (the policy of increasing the sum total of wealth), to improve the regularity of the national income and to improve its distribution among the individual members of the community. In more homely terms, they can be expressed as being to abolish poverty, to diminish unemployment and to reduce inequality.

These triple goals may fit our country too. At any rate, they *do* form objectives toward which many Americans seem increasingly willing to turn.

*Physical and Mechanical Attributes*

IN CONTRAST to our overall goals, we must recognize several physical and mechanical attributes of our industrial society. These will offer a rough characterization of our factory system as a working mechanism. First, Americans are notoriously material-minded; the creation of a multiplicity of physical things is an earmark of our modes of action. Second, our society is a machine society—at least in its methods of goods creation; many assembly line jobs are repetitious, and the related problems of fatigue and boredom lie ahead,—many of them as yet unsolved. Third, as a result of these first two factors, our way of life is characterized by ever higher output per man hour of labor; the results of this are seen in the wealth of luxury goods for which America is noted.

Fourth, this high industrial output, which is made possible through the combination of capable people and highly effective machines, will lead us toward a shorter work day and a shorter work week. Leisure will become a very large and important portion of the lives and activities of our people. Fifth, workers are evidencing a growing interest in activities outside work in and of itself. Their interest in clubs, societies, athletics, and the thousand and one activities of contemporary American life (both urban and rural) bespeaks a tendency to follow interests in addition to those which are begun and ended by punching a time clock.

In this regard, the area of worker motivation and non-financial incentives is an as yet but poorly-worded question which awaits proper attention, study, and answer. Last, American workers are going to demand increasingly that their retirement from industry be early and that the years which lie beyond and away from the factory shall be secure years, not a period of worry and financial stress.

*Types of Industrial Activity*

IN ADDITION to an examination of its goals and characteristics, contemporary industrial America can also be analyzed in terms of the tremendous shifts and changes going on in its basic economic patterns. One of these which will be most important for us to bear in mind, particularly in making the postwar readjustment, is the changing balance in the *types* of activity which make up our economic life. Let us call those activities which bring materials out of the ground (mining, and agriculture) the Primary industries. Those activities which change the form of the basic materials (manufacturing) may be called *Secondary*. All other activities (the trades, services, and professions) we may label as Tertiary.

Visualized in these terms, a maturing economy is seen to alter the proportions of its energies which are directed in each of these several directions. In 1800, for example, the great bulk of our activity was devoted to the Primary industries, with only a small amount of manufacturing and service trades.

By 1900, the number of people who devoted their time to agriculture and mining had shrunk greatly and we were predominantly a manufacturing nation, with the services still only an orphan in the industrial family.

By the year 2000, undoubtedly the balance will again have shifted markedly. Agriculture will have shrunk to a fraction of its former size in terms of manpower absorbed. Manufacturing also will demand only a part of our total working population, for an advanced society is one in which most of the energies of the people have moved into the service trades and the professions.

*Relations*

A MOMENT'S thought will reveal that in a *social* order relations *are* the essential, central element. Everywhere one looks, it is obvious that each individual comes into focus and becomes a person only through thinking of, working with, and reacting to the people around him. This is as true of the industrial order as it is of any other phase of our contemporary society. Roethlisberger and Dickson have illustrated this in a telling fashion in their analysis of the bank wiring room at Western Electric—a study often referred to simply as the Hawthorne Experiment.

This pioneering study has shown how important a part in the moulding of our thinking and ways of life is played by the direct groups to which we belong, and in which there is face-to-face contact: for example, the home, the hobby club, the village playground, the local union, or the Republican Regional Committee.

These so-called direct groups are not so simple a phenomenon as they at first appear. A rather telling example of this is suggested by Thurber and White in their whimsical book, "Is Sex Necessary?" Note their word of warning on the complexities involved when only *two* people are reacting to one another:

Just the minute another person is drawn into one's life, there begin to arise undreamed of complexities, and from such a simple beginning as

sexual desire we find built up such alarming phenomena as fetes, divertissements, telephone conversations, arrangements, plans, sacrifices, train arrivals, meetings, appointments, tardiness, delays, marriages, dinners, small pets and animals, calumny, children, music lessons, yellow shades for the windows, evasions, lethargy, cigarettes, candies, repetition of stories and anecdotes, infidelity, ineptitudes, incompatibility, bronchial trouble, and many other, all of which are entirely foreign to the original urge and way off the subject, and all of which make the person's existence so strangely bewildering that if he could have seen this development his choice would have been the eating urge and he would have just gone out somewhere and ordered himself a steak and some French fried potatoes as being the easier way out.

### *Direct Human Relationships*

How frequent it is, however, that even in the industrial area the *direct* human relations are the ones which really bother us most in the sense of being problems. Too often they form the elements out of which grow our misunderstandings, they are the intangibles of which human relationships always are composed. For example, it has become almost trite to say that the foreman is the critical link in our industrial organization. Yet, how many of the people who are willing to make that statement can back it up with a meaty, self-respecting definition of rules and principles to assist the foreman in the proper execution of his multitudinous and all-too-often contradictory functions?

In the realm of discipline, by which human relationships are so often guided, current practice varies from the American approximation of the Secret Police to the peace and harmony of what the Quakers call government by assent. We must seek a more far-sighted method of guiding and controlling human relationships than we have had before, for many of the elements with which we deal are far from being rational, conscious, or overt. In fact, the most subtle of them are frequently not rational or conscious at all.

### *The Whistle Blows*

IN ONE factory, I know, the whistle blows every morning at ten minutes after ten o'clock, and nobody at the plant knows just why; the order was given by a former superintendent whose rules have outlived the man himself. You probably all know a foreman who objects strenuously to allowing the industrial relations group to interfere with his right to hire and fire, but who spends Wednesday evenings taking a course in industrial relations from the local E.S.M.D.T. authority where his teacher is an industrial relations man from another company. As another kind of problem in human relationships may I cite a personal experience.

On one of my first jobs as a youngster, I was confronted by my working companion (a man fifteen years my senior) who, when the job got dirty, left me to carry the brunt of it. He evidently saw the question in my eyes, for he said in self-de-



fense, "I get paid for what I know and not what I do." That pride in authority and prestige shows no tendency to diminish. It forms an element in the light of which many of our contemporary practices can best be seen properly.

Over-riding these trivial and apparently helter-skelter elements of the human relationships of industry, let us consider wider areas of institutional form and action. The Corporation offers a good example. It is so much a part of the American scene that we take it almost completely for granted, whereas in reality it is a most modern invention, and one whose ways of action are still undergoing tremendous change. The same is true of the Trade Unions, which give great evidence of shifting patterns of thought, organization, and action.

### *Must Expect Change*

TO MANY a citizen, the Administrative Governmental Bureau still strikes a harsh and discordant note. And yet, Great Britain, having a greater familiarity with the complexities of centralized government in the machine age, has relied on such quasi-executive units for many years. I do not mean to defend or criticize any of these institutional forms; I merely point to them as characteristic patterns which are undergoing constant change, and through which we in industry must learn to operate effectively, or we will not operate at all.

Written in even larger terms than these institutional forms are the goals of our people in the realm of human relations. Again I quote from *The Economist*, in which are cited two major objectives:

The first is freedom—the belief that it is not only just and wise but also profitable (in politics and in economics) to let people do what they want to do. The second is the principle of the common interest—that is, that human society need not be an area of conflict, but that it can be an association for the welfare of all.

The rather circuitous route by which we have explored the connotation of the word "industrial" and the word "relations", now brings us to the heart of the matter: research.

### *Research*

IN THE industrial relations field, research must of necessity be carried on through people who are characterized by four essential qualities.

The individuals must be well trained, each a specialist in his field.

The attitude of these people must be cooperative in the extreme. In an area as complex as we have just seen industrial relations to be, any stellar performance by some would-be prima-donna is too expensive a luxury. The combining of various avenues of approach seems more likely to lead to a satisfactory answer than does reliance on the efforts of the solitary investigator, no matter how brilliant he may be.



The skills and areas of competence of the individuals within the research group must be balanced so as to cover the various knowledges of the Social Sciences. Each of these fields of learning and human understanding has its part to play in giving full insight into industrial relations problems.

There must be a strong sense of mutual respect on the part of each member of the group for all the others that made it up. Only in this way can the easy give-and-take of honest research be achieved most successfully.

### *Simple Methods Necessary*

**E**VEN with a proper group of individuals, the essence of industrial relations research would still be missing, unless there is in addition, a *method* of work. As a very simple illustration of the kinds of methodology to which I refer, we have adopted a standardized practice of using 4 x 6 cards for all note-taking. Quite aside from the obvious advantage that standardization of note-taking makes for ready inter-exchange of material, the particular size of this paper form is important: it is large enough to allow the statement of *one* complex idea, yet it will not readily hold *two* such ideas. Thus, it becomes a depository of a single thought and, as such, is capable of being added to other similar notes for storing, shuffling, re-combining, outlining, and development of the form of the final report.

There are, of course, many more complex tools which also must be understood and used whenever proper opportunity is presented. For example, we might mention the interview, sampling, case studies, the use of logic, the effective handling of written presentation, and the increasing use of graphics.

### *Researchers Need Paraphernalia*

**T**HERE must also be such paraphernalia as offices, books, magazines, journals, records, adding machines, office machinery, ditto and mimeograph facilities, IBM equipment, and key sort cards. This much is common place. In addition, special problems and special types of approach require more elaborate equipment which must be made available when and as needed. For example, in studying the effects of noise, we must use special equipment for measuring intensity of sound in decibels if we are even to approach the problem in its factory context.

Even after we have developed a situation in which an adequate set of equipment is used by a group of people skilled in and devoted to a certain method of work, the picture is still incomplete. One last factor must be added. In addition to the foregoing elements, we must have a particular way of thinking.

At times I feel deeply conscious that we are really using a new mode of approach to the human problems of industry. This approach is one in which *all* of the Social Sciences are combined and in which each one plays its part without obstructing the usefulness of the others. At times, this approach has been called "human engineering", a term with which I am in full accord—provided the proper safe-

guards for the intangible unpredictables of human thought and action are constantly kept in mind. Unless we are careful there is a danger of falling under the spell of the "slide-rule complex" by which answers, accurate to the fourth decimal place, are predicated on assumptions which are 30 percent in error.

### *The Research Job*

THE purpose of the research way of thinking is to assist management by counsel on policy and major managerial strategy. As one writer has put it, "In the Social Sciences you find out what existing conditions are, compare them with the best practice and make recommendations for change. That is research." One inherent element of this definition, one basic characteristic of the work in our department, cannot be over-emphasized: the proper goal of research is research and recommendation, not administration. The moment a research group steps out of its field to usurp administrative responsibilities it ceases to be a research group.

Industrial relations research comes into being, then, when trained people with a particular knowledge of the proper methods of work and with the proper equipment carry on their trade with this professional way of thinking as their normal approach to a problem. If industrial relations research is a new profession (and I think that it is), its definition might well be, "The Social Sciences applied jointly to the solving of problems of human relations within industry."

*From a paper presented before the Southern California Management Council.*

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### CORRECTION

The paper of Mr. A. F. Trumbore, on Office-Shop Competition, which appeared on p. 217 of the December, 1943 issue, should have been credited to the Chicago Chapter of the NOMA. We regret the error in crediting.

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Have You Heard of the "Bull Pen" Method of Hiring by Which a Worker is Hired Merely by Calling Out to the Gate for Him to Come In and Go To Work?

# Hiring Interviews

BY DALE B. PURCELL

E. I. DuPont De Nemours & Company  
Hanford Engineering Works  
Pasco, Wash.

PROBABLY the first written record of an interview, if interpreted liberally, was God's questioning Adam and Eve relative to their eating the forbidden fruit in the Garden of Eden. God's purpose was to determine whether or not they were qualified to continue living in Paradise. We all know that He placed Eve in charge of conceiving children and put her under the supervision of Adam, her boss, who in turn had to work for the food, clothing and shelter from thence on. And so hiring interviews have continued through the centuries in one form or another, including the slave markets of the Roman Empire, the guilds and factories of the Industrial Revolution of England, and the more recent "Bull Pen" method of employment by which a worker is hired by merely calling out to the gate for him to come in and go to work.

## *Personnel Management a Fad*

MODERN interviewing is a direct outgrowth of personnel management which became more or less of a fad as a result of the first World War. It has its place in job placement, job orientation, safety, health and other features of personnel management.

Primarily, the interview is to select the best qualified man for a specific job. When doing this, the interviewer must remember that he has a definite obligation to the company he represents and to the prospective employee he is hiring. An interviewer must be adequately educated and have knowledge of the various crafts and fields of endeavor in which he is to interview. He should be an extrovert in action but still have the silent qualifications of the introvert when necessary.

In other words, he should strike a happy balance between effusiveness and reserve. The interviewer should attempt to be well-groomed and presentable at all times.

### *"I Am Glad You Called"*

THE proper meeting of the candidate will test an interviewer's tact and skill in handling people, for this is a crucial moment which may result in the interview being a success or failure. Many interviews have been destined to a dismal failure due to the interviewer's lack of polish; thus causing the candidate to give the impression of his having idiosyncrasies or probably a nervous strain, and in turn becoming a temporary clam-like introvert or a parrot-like extrovert. When becoming acquainted, the interviewer's handshake should be of a friendly firmness, his voice well-modulated and his words distinctly articulated. At the same time, he should present an attitude of kindness and sincerity, and the atmosphere should pervade with "I'm certainly glad you called upon me." This results in the applicant's feeling that the interviewer really wants to give him a job.

This feeling should be given the candidate, for most interviews are milestones in the life of the worker. Many result in the candidate's happiness or sadness, success or failure. With this in mind, the applicant should be seated comfortably in a room where there is absolute privacy and little distraction.

After this brief preliminary meeting of the candidate, the interviewer should be a psycho-analyst to the degree of knowing at the moment whether the prospective employee is nervous, frightened or distracted in any other way, thus causing the interview to be difficult. It is important that the interviewer through some remark, movement, or other means removes this tenseness. Often times all that is necessary is to talk the proverbial "Nice day today," "It's a good day to fish," or "That's a pretty pin you are wearing." At other times, it may be necessary to continue the conversation on some mutually known subject until the psychological moment arrives in which the interviewer can determine if the subject is qualified for the job applied for; or if not, just what he is qualified to do.

### *There Are No Types*

UPON becoming acquainted, the interviewer should be aware of any bias or prejudice on his part and make allowances for it. He must be wary of the temptation to allow physical characteristics to impress him against his better judgment. He must overcome the constant tendency to fall into the habit of regarding persons as "types", thus mentally marking them in certain categories not actually disclosed. Leading questions should be avoided. There is little or no value in asking questions whose answers are already obvious upon the application blank, unless they require special elaboration. The interviewer should have the information from the application blank well in mind before interviewing the candidate.

The interviewer should be fair to all parties concerned. He should keep in



mind that all applicants who appear in his office have been brought to him at a cost of dollars and cents to the applicant and to his employer. From the employer's point of view, every candidate that appears should be considered very carefully, for the position for which he is applying is generally the solution to his economic problem, and in fairness to him he should be given every opportunity to demonstrate that he can do the job satisfactorily.

### *Do Not Try to Sell*

**A**N INTERVIEWER who successfully handles his cases does not have to sell the company he represents. The company has been sold by his selling himself. For this reason, the interviewer should remember that the average applicant will regard him as the one person who has the power to give or refuse him work. Because of this, he should make every effort to establish *rapport* with the applicant. During the interview, the applicant may relate personal history which should be treated as confidential. The interviewer throughout the interview must display interest in every word the candidate says, even though it may have no bearing on the subject.

If the applicant is prone to brag or boast, the interviewer should seem appropriately impressed, and if the applicant relates his troubles and problems, the interviewer should be sympathetic. However, the interview should be kept under control and led in the proper line of thought by the interviewer. The general attitude of the interviewer is like that of a practicing physician, a man strictly professional in bearing, but one who is easily accessible and sympathetic with every man and his problem.

To be successful in placing the applicant in the position that he or she would best fit, the interviewer should be educated sufficiently to be able to place himself on the level of the highly educated individual or those with little education. If the interview is to be successful, the interviewer must be able to talk whalers, balloon finishing, sills to carpenters; crown faced pulleys and shafts to millwrights, if necessary. When he has learned to talk the lingo of the various occupations he has definitely created a setting in which the applicant will express himself most freely.

### *Know Working Conditions*

**T**HE interviewer should learn the essentials of the crafts or white-collared jobs that he is to interview. Often times by questioning and conversing with the applicant, he can gain much vocational knowledge to add to his ever-filling reservoir of wisdom. However, ingenuity should be employed by maintaining genuine interest in the interview, and sifting the resultant information in order to determine and assimilate that which is useful, and to disregard the remainder. Much of the value of the knowledge obtained depends on the attitude in which it is sought. If

the information-seeking is done in a drudgery manner with little interest, the result will be of corresponding little value.

The interviewer should definitely know the various factors of the working condition under which the applicant will be placed. It would be the height of foolishness to place a tempermental person on a confining position or one who has always worked outside, on a permanent inside job. He should be able to visualize if the man can stand the strain or if the girl can stand typing or shorthand the entire day. It is to be remembered that a misplaced employee is not only an active detriment to his company, but also worthless to his fellow workers who expect him to fulfill his duty so as to complete the finished product. Thus, the interviewer should be acquainted with the job analysis of the various positions which he is to fill.

He therefore classifies and evaluates all applicants that come before him. From these candidates he selects for employment the ones which are best qualified in their respective field. To enable him to make an excellent selection, he must be able to ascertain from the interview whether the applicant meets the criteria as set up in the job-analysis.

In general, there are three distinct groups in which all applicants fall. First, there are those who are conspicuously well-qualified for the job they seek, and if any opening exists for this particular type of applicant, the interviewer has no problem. Second, there are those applicants who are so obviously unqualified that little or no judgement is required in disposing of their cases. The most care and interviewing ability is needed to handle the third and biggest group of applicants who, in the light of training and experience, may or may not be satisfactory employees in the position for which they are applying. These are known as the border line cases, and some small point may be the means of the applicant being hired or not.

### *Turning People Down*

**P**ROBABLY the most difficult situation which occurs for the interviewer is his necessitated refusal to give an applicant a job due to insufficient qualifications for the job open, or for another job which may be opened. It is extremely difficult to refuse a father with nine children at home a job on the basis he is physically unable to do the work, or does not have the ability or training to do a more skilled job.

Most of the applicants who are refused jobs in some craft fall into two types. First, they may be young men with insufficient experience trying to make a successful start in the world; or second, they may be old men with a trade and too superannuated to continue with it. Other refusals for jobs may be given to unqualified widows needing work, or to individuals who had been working at a trade for years and find that for some reason or another there is no longer a demand for their type of employment. These are only a few of many possible illustrations to show that refusal of employment requires the greatest amount of tact, skill, and finesse.

It is necessary for the interviewer to perform this task in such a way that the applicant will leave his office in such a frame of mind that he feels he has been well received and that the interviewer has done everything in his power to give him a job. The manner in which the interview is conducted is the lasting impression that an applicant receives, regardless of whether or not he is employed. With this proper form of treatment received, he is going to have a greater respect for the company when leaving, and will certainly be a messenger of good will for that company.

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#### HAVE YOU SPARE PERSONNEL JOURNALS?

Some issues of the Personnel Journal (as listed below) are required for use by war industries, but are out of print.

If you have copies of these issues, which you are not using, will you kindly return them to us, so that we may send them out to the companies requiring them. We will pay full price for them.

Vol. 21, Nos. 1 and 2. May, June, 1942.

Vol. 20, Nos. 7, 9 and 10. Jan., March and April, 1941.

Vol. 16, No. 3. Sept., 1937.

Vol. 14, Nos. 1 and 2. May, June, 1934.

*Personnel Research Federation,*  
60 East 42nd St.,  
New York, 17, New York.

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One of the Most Important Features of Some Efficiency Rating Systems is a Provision for Discussion So That the Employee Can Find Out Where He Stands in the Eyes of His Supervisors.

# Inefficient Efficiency Rating

By HARRY A. DAVIS

Boeing Aircraft Company  
Seattle, Wash.

**M**OST organizations faced with unprecedented war-born labor turnover problems are systematically and painstakingly conducting analytical research undertakings to discover beneath-the-surface reasons which may be robbing them of sorely needed man and woman power. A review of separation reports, including data recorded from exit interviews, from the average company, generally reveals only the ostensible reasons for termination, such as: other employment, dissatisfaction, moving from the vicinity, housing or transportation problems, health, personal reasons, etc., yet in an, if not appreciable, at least important, number of instances, the claimed reason probably is merely cloaking the true facts.

## *Insidious Turnover Germs*

**A**MONG others, the improper presentation to the employee of efficiency rating results is definitely one of our insidious turnover germs. Important benefits derived from the utilization of an efficiency rating system, including crystallization of opinion, recording employee progress, fair employee appraisal, fairness to less aggressive employees, etc. can be nullified by making the simple mistake of not fully counseling with the employee when the results are made known.

Common practice has it that the employee is informed of his periodic analysis rating usually by one of three methods: (1) verbally by the supervisor, (2) the receipt of a report card, (3) by contacting the office housing his personal file where he is allowed to personally review his rating sheet. Of these three elementary methods, the only one of consequence is No. 3. Too often, however, even this method is valueless as the information is imparted in a casual, disinterested, or remonstrative manner,



and the result in cases where the employee has been rated average or below average is purely negative.

To clarify, somewhat, the value of efficiency rating counseling it might be well to recount pertinent cases where it was found beneficial toward correcting erroneous employee impressions.

### *Good Planning Goes Awry*

ONE firm put into use a very scientifically planned efficiency rating form. It was designed and developed by competent industrial engineers. Not until several ratings had been taken was it discovered that the average employee of that firm received a score of only 57 per cent. This, of course, did not necessarily determine that that plant was manned by a subnormal staff, but rather it proved decisively that the best planning can go awry. The points allotted for the various degrees of elements of efficiency to be rated were definitely miscalculated. Inasmuch as the scoring was based upon the 100 per cent system, the *average* employee should have received a grade of approximately 80 per cent.

The management of this firm still is wondering how many good, average, stable employees were lost when those who knew that they were doing a good job found that their supervision thought they were valuable only to the extent of 57 per cent. The perplexing question confronting them at this point was how to rectify the error. It was too late to change the scoring as this would have put the consistency of progressive grades out of line. After due consultation it was decided that henceforth the employee would be made aware of his standing through the counselor method. The counselor would explain the uncorrectable miscalculation in the scoring system and assure the employee that it was not discrimination on the part of Supervision. In this way efficiency rating counseling was adopted by this firm.

### *Efficiency Rating Counseling*

ANOTHER firm, experimenting along the same lines, found a most peculiar misunderstanding existing. A group of truck drivers appeared at the counselor's office feeling very much aggrieved. They had all received efficiency rating grades ranging between 75 and 85, which was perfectly satisfactory when viewing the organization as a whole. Their complaint, however, was that a certain clerk in the dispatcher's office had been rated at 93 per cent, and they were inquiring as to just why the company considered a clerk's position of such greater value than that of a truck driver. The misunderstanding in this instance, of course, was obvious and a few minutes of the counselor's time quickly cleared up the case to the satisfaction of all concerned. However, the dangerous element involved was also obvious, and further serves to illustrate the value and necessity of counseling in this respect.

Efficiency rating counseling can be made as extensive as is believed necessary. The counselor can be in possession of charts and graphs which point out the employee's position with respect to the shop, department, division or organization of

which he is an integral part. Each element judged through the efficiency rating can be thoroughly explained. Weaknesses can be brought to the attention of the employee and corrective steps to be taken recommended. Education and training courses can be suggested. In short, this phase of counselor procedure is an excellent opportunity for saving manpower, building morale, and performing human engineering.

# Book Reviews

*Book Review Editor, MR. EVERETT VAN EVERY*

California Personnel Management Association, Berkeley, Cal.

## HOW TO DEVELOP YOUR EXECUTIVE ABILITY

By Daniel Starch. Harper & Bros. New York. 1943. \$3.00

By the title of this book you would assume that the reader has some executive ability to start with . . . that the author is merely going to tell you how to develop it. I am always skeptical of the fellow who tries to do so much for a reader. To develop executive ability is really something!

The book should be popular. It grips your interest after a few pages and "does things to you," as one reader put it. But the material isn't froth. Dr. Starch is a business research consultant and has put down some observations on how men have become competent executives and how they developed their skills and capacities. What I like about the book is the free use of case material in the author's evaluation of his 150 select executives. He studies 150 business men with earnings from \$4000 to \$80,000 per annum and employs a remarkable measure of comparison in developing his thesis. Dr. Starch analyzes all cases with his four basic qualities of leadership: (1) Intellect—ability to think (2) Capacity to assume responsibility (3) Ability to handle people (4) Inner drive. This is not the heaviest reading for busy executives and junior executives, but it is stimulating and thought-provoking. For some of us the book may well live up to its title.

## WOMEN IN WAR INDUSTRIES

Industrial Relations Section, Princeton Univ. Princeton, N. J. 82 pp. 1943.  
Paper cover, \$1.50

If you would know what other companies are doing about employing women and all the hundreds of related problems and questions involved, this report of the experiences of many firms should be of invaluable aid to you. It is a brief study of the effect the employment of women is having on personnel policies as reported by about 100 companies. At the present rate it looks as if whole industries will be taken over by women. When you finish reading this report you will not be frightened at such a revolution . . . the reader might well ask, What of it? Neither the employer nor the community can ignore the economic and social changes involved. Nearly all the major problems in the employment and supervision of women are expertly discussed in this study including an excellent bibliography and sources of information on current developments. Recommended for all employers.

## THE MOVEMENT OF FACTORY WORKERS

By Charles A. Myers & W. Rupert Maclaurin. John Wiley & Sons, Inc., New York. 1943. 111 pp. \$1.50

Here is an interesting study of the movement of factory workers in a medium-sized manufacturing community. Few other studies have analyzed the character

and effects of interfactory movement. Most other efforts have been directed to the unemployment experience of workers or to movement from one locality to another, but this little volume tackles the problem of why workers "move on" in their own community and what becomes of them. More than a third, for example, move into jobs of less income or unemployment which indicates that voluntary movement is not too intelligent and often disappointing to the workers. The author believes that all efforts to improve the operations of the labor market by more effective use of the Employment Service, the schools, better industrial relations practices, relief for the unemployed, training for unskilled management, etc., will not be able to correct the main weakness. "Unless cyclical depressions involving large-scale unemployment, such as that of 1937-38, can be eliminated or greatly alleviated, insecurity and the threat of a layoff will continue to dominate workers' lives."

### TEXTBOOK OF OFFICE MANAGEMENT

By W. H. Leftingwell, late president of the National Office Management Association, and E. M. Robinson, professor of Management, Boston University.

McGraw Hill Book Co. New York. 1943. 409 pp. \$3.00

Office managers and those with large numbers of office personnel will welcome a new business book devoted to the text fundamentals of getting out the day's work. With the rapid increase in office supervision, such a volume devoted to training men to analyze office needs, planning work more effectively and controlling office operations, should find a ready response. This is not a book merely on clerical supervision—rather it is a thorough study of scientific management principles applied to the office. If you are looking for improved office management this book should prove to be a valuable reference and training guide. It should be passed around or made available to promising young executives.



# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION  
Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 8*

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A Large Number of Companies That Did Not Have Personnel Departments Before the War Now Have Them. Others Have Expanded Their Personnel Departments. The Labor Situation Has Caused This But Many Executives Frankly Say that They Are Going to Kick the Whole Business Out When the Labor Market Loosens.

# Personnel Managers Beware

BY J. T. SMITH

Milford, Conn.

(With editorial comment)

I HAVE noted in the past year the high rate of turnover among Personnel and Industrial Relations Managers, and I feel that in most cases this is due to the fact that many personnel managers have been called in by management to organize Personnel Departments in companies wherein the Department Head has for many years been used to running his individual department the way he saw fit.

This is especially true of companies in the 200 to 1000 employee class, who until the manpower situation became acute and top management became desperate, paid wages which, while not sub-standard, were just about the base rate for comparative industries; and whose philosophy appeared to be, "If you don't want to work here at the wages offered, there are plenty who will accept."

## *Chop-Chop-Chop*

PRIOR to setting up a Personnel Department in companies of this type, each Department Head was the Lord High Executioner of his or her private domain—setting his own policies, wage rates, working conditions, etc., with little thought given to the coordinating of policies with other departments in the organization; and if his morning toast was burnt, chop-chop-chop and someone's head came off.

The first source of friction that a new Personnel Manager is likely to encounter, and one of the most difficult to overcome, is with these Department Heads who in most cases are old employees who resent relinquishing any of their former authority to a so-called newcomer into the organization. The only solution to a situation of

this sort is to have top management call a meeting of all Department Heads before the new Personnel Manager assumes his duties, and a definite statement of responsibilities be issued by top management as to the total functions of the newly organized Department and what its duties embrace.

From the other side of the picture, many persons who ever, in the past, hired help in addition to their other duties now call themselves Personnel Managers, and have sought positions under that title and responsibility, securing jobs with some of the smaller companies. After their failure in that capacity, a qualified person is obtained and he must attempt to unsnare all the tangle that his predecessor willed to him.

So, I repeat to Personnel men accepting new assignments -beware.

### EDITOR'S COMMENTS

THIS little story by Mr. Smith seems to call for considerable comment.

There is at the present time considerable turnover of personnel men, men going from other jobs into personnel work, and out of it, men in personnel work transferring from one company to another, and so on, just the same as the shifting of skilled and semi-skilled workers from job to job and company to company.

This is primarily due to the fact that a great many personnel men, and so-called industrial relation managers, do not know how to be a personnel or industrial relations manager. They may read books and magazines about aptitude tests, training, job and salary classification, pension plans, and all the rest of traditional so-called personnel techniques—but that does not make them personnel men by a long shot.

The ever recurrent problem is the Boss, the president, the vice-president, the superintendent, the foreman. These are the persons the personnel man has to deal with. Few books, articles or speeches tell how the personnel man is to deal with them, if he is to be a successful personnel man.

#### *Executives Not Personnel Minded*

THESE men in the so-called line organization do not know the first thing about personnel work, and mostly they cannot be taught. One friend of mine, who is a top executive, in his more candid moments admits this. But he says that a good personnel man, knowing this, yet will know how to get good personnel recommendations across by the old communistic method of 'boring from within'. By which I assumed he meant that you should never tell the boss what is in the back of your mind, when you make a recommendation to him.

Figure out all the improvements in industrial relations that will grow out of your recommendation, then hide them in your hip pocket, and go into the august presence of the Big Boss with something in the way of a simple recommending sentence which he can understand, but the implications of which he has not the time to follow up.

In other words, he says that it is folly to expect an executive to be personnel minded, but that fact does not prevent a good personnel man from developing sound personnel practices and industrial relations policies within a company, and getting top management to back them up.

So much for generalities. Let us now consider some specific instances.

### *How to Sell Your Ideas*

**M**R. JOHN H. MACDONALD, Vice-president of the National Broadcasting Company, in a recent talk about office managers, who ought all to be personnel men, said that the first thing they ought to know is how to sell their ideas. This is an old notion, and like all old notions is often tucked away in the attic. Yet any personnel man, young or old, who leaves it in the discard inevitably becomes a failure in his job.

When you go into a company as a personnel man you have to realize first and foremost that most of the people in the organization do not want you. This is particularly true of small companies, who since the war have taken on personnel men, when they would not have thought of doing so before. (And who are going to get rid of them as soon as the war is over, unless the personnel men hired can do a better job of selling than they are now doing.)

The top management of a company hires a personnel man because it has some problem that has licked it—mounting labor costs, high labor turnover, obstreperous union leaders, etc. It has read in some paper that personnel men can fix these things, so hires one of them.

### *Poor Hired Man*

**T**HE poor hired man does not have the prestige of a doctor, who can generally diagnose a patient's trouble, recommend treatment, and wash his hands of the whole business if the patient does not follow his advice. For instance, your shoulder may ache, and the doctor say it is due to your prostate gland being out of order, or your teeth may be troubling you, and he will say that it is due to some kidney trouble arising out of the fact that you had chicken-pox when young. Generally you believe him, and follow his recommended treatment.

But when you go into a company, as personnel man, and are told of low efficiency, high labor turnover, or whatever, you may diagnose the case as one requiring less nepotism, less paternalism, more leadership, or some other abstruse factor, but you will have an awful job selling top management as to the relation between its leadership and labor turnover, for instance. A direct approach is impossible.

Bingham, who was in the last war as psychologist, and is in this one, explained that his policy was to sit around and do nothing till he was asked to. The War Department heard that it ought to have psychologists, so it hired some. Though Bingham and the other psychologists could see that the War Department was all wet in many of the ways it pushed American soldiers around, they decided not to start telling the Army what to do.



*The Army Learned*

SO THEY sat around, till sooner or later, and generally sooner, the Army would get some problem that licked it, so it would, as a last resort come around to the psychologists, and ask them to fix it up for them. This Bingham and Co. did. Then they sat back and waited for the Army to wake up to its next insoluble problem—which the psychologists had seen on the horizon, and had prepared to meet long ago, *when asked to do so.*

After about two years of this business of the Army getting the psychologists to pull it out of bog holes it had gotten into, it suddenly occurred to the Army that it might be a good idea to consult the psychologists in the formation of policies and practices so that it would not get into jams so often. Thus by a slow patient process the Army came to have a personnel department which carried weight in the making of decisions. The Army did not love it, yet found it could not do without it.

This is one way of developing a personnel division in an industrial company. You may know, after due analysis, what is wrong, and what needs to be fixed up, fairly quickly. But it may be a good plan to keep your mouth shut, and tackle each little problem, as the boss hands it over to you.

As one executive told me, in regard to some of my recommendations, "The people in this company can stand only so much change each year, and no matter what you think ought to be done, and which I agree ought to be done, to improve matters, we will introduce improvements only at the rate that they can be absorbed."

*Slow Progress Best*

THERE is the story of a safety man in Los Angeles, California, who on being hired by a company to cut their accidents, saw how much they could be reduced, but decided to lower them a little each year over a five year period. In this way, of course, he made his job last five years, but there was also wisdom in his decision, because the people in the company could probably not have stood the changes he would have had to make in their ways, to cut out all possible accidents in one year.

The morale of these stories is that young personnel men, who know all the techniques from reading books and attending classes, should not quit their jobs or their companies because they are unhappy on account of the slowness of the adoption of their ideas.

There are two things about the Bingham theory that should be watched. If you sit around and wait till you are handed problems for solution, instead of going out and hunting up things to fix up, you are likely to be handed very sour lemons. Either from malice aforethought, or just naturally you will find in your lap individual problem employees, or special problems, which the company has been unable to deal with satisfactorily for years.

*Dodge Sour Lemons*

As it is very unlikely that you can solve these cases, the best thing is to dodge them. If you stub your reputation on them you will probably be very unhappy, and start with a handicap in the things you really want to, and can do for the company. We quickly came up against such a case, in following the Bingham theory. One employee was a constant trouble maker, inefficient, and accident prone, yet in such good standing with the union that we could not fire him.

He was handed over to the new personnel officer as something to work on. Taking one look at the case we dodged him. His case was solved some months later, when he was jailed for having had three wives, without bothering to divorce previous ones.

The other trouble with the Bingham theory is that when you go on the payroll of a company, particularly one which has not had a personnel man before, people, especially supervisors, will start very quickly to ask for some results -what, they do not know -but results anyway. So you cannot sit around too long dodging lemons.

*Mix Around*

THE best way to handle this is to mix around with the main supervisory group, and find those whose job is too big for them, and are in trouble. Pick out the one or ones who are most loyal to the management, and who are willing to sob on your shoulder. Then give them a hand, giving them all credit for the improvements gained, in lowered turnover, better scheduling of production, lower unit costs, etc. Make sure top management knows you are working with them, but make sure top management knows of the improvement they are making.

Other supervisors may not come to you to ask you to help them in the same way, but they will probably go to the man you are working with and ask him how he does it. Thus you will get your ideas spread through the company, and make a maximum of friends.

*Timing*

MR. MACDONALD mentions timing as a very important factor in getting recommendations accepted. He mentions a case of a man going into the big boss late Friday afternoon to ask for a raise. The employee, whose raise was knowingly due, and had been recommended, picked the wrong time. For the boss had had a very exhausting week, and was getting ready for a weekend of relaxation, so the employee got a short answer instead of a merited raise.

Timing is very important, and the personnel man whose recommendation is turned down, should often blame himself for wrong timing. Calculate how much of the boss's time you are entitled to. In one job I calculated I was entitled to one hour every ten days. I did not bother him more often than that, but saw to it that the interval was never more than three weeks. I always avoided Friday interviews, and usually tried for Tuesday.

With a pile of possible recommendations, I tried to ascertain his mood and interest at the moment by encouraging him to talk—most executives will talk till the cows come home, if you give them a chance. Then I popped the ideas I thought he was most likely to like, and usually got away with it. Those he didn't seem to want at that time I saved up for another day.

### *Positive Recommendations*

QUOTING Broadcaster MacDonald again, he makes the point that a personnel man going in to see the boss should have positive recommendations to make. This is an excellent point, and has several angles—you can draw angles from a point.

One of the first things to note is not to be negative. The young man is very apt to see what is wrong with the personnel practices of a company. He is very apt to go in and tell his boss what is wrong. That is just where he is wrong. The thing to do is to keep your eyes open to what is wrong, as much as possible. Then set to work to devise corrective measures.

Do not tell anyone, except your associates, and not even them very often, what you think is wrong. Put your "Wrong" thoughts in your hip pocket, and trot out your remedies under the general caption, "I wonder if it would be a good idea for us to try handling our supervisory training (or whatever it might be) this way." Then put forward your remedy without mentioning the defects it is designed to avoid.

### *Preserve the Boss's Face*

THIS problem of making positive suggestions, particularly to a big boss is not as simple as it looks. There are always more ways than one of dealing with a problem—they should all be thought out, or talked out with associates. But when you go up to the boss what shall you do with them? He is busy, the problem is remote from his thoughts, and he does not want to be bothered, so you think it all out for him, and just get his OK to the right idea.

That is the theory. Actually being the big boss he wants to make the decision. So what you do is briefly present to him two or three ways of dealing with the matter, being careful to omit the solution which you think is best. From your conversation he will spot the recommendation you have omitted, but really want approved, and he will put it forward as his idea. Thus he will preserve his "Face" as the man who knows it all, you will get your idea across, and every one will be pleased.

### *Don't Rely on Meetings*

MR. SMITH's suggestion that to aid in getting department heads to understand the place and purpose of a new personnel man the Boss should call a meeting of them all, and have a clear understanding, is a good one.

A young personnel man should not, however, rely on this very much. Apart

from the definite disloyalties to the big boys among a percentage of all department heads, there are also frictions, jealousies, and temperamental quirks among them, which cause them to find difficulties in carrying out the boss's instructions, if not actually disobeying them.

This means that the new personnel man has to do an individual selling job all up and down the line of supervisory people. He has to do this himself and cannot rely on the Boss.

The education and reeducation of department heads, and other supervisors, is a challenge to personnel men. It is a slow process generally. But a man is a poor personnel man if he quits a company because he cannot accomplish this job, blaming the boss or the subordinate executives for their being obstinate in not taking his advice. By doing so he admits his own lack of ability. He should rather stick to the job, and work it out to the advantage of the company and himself, or quit the personnel game entirely.

Personnel men should stop shopping around for jobs like mechanics. They should make themselves so essential to their company, now when they have a good opportunity, so that when the war is over they will not be kicked out into the street.



One Executive Characterized His Use of the Personnel Department as Enabling Him to Get Two Shots at a Problem Instead of But the One He Has when Working Through the Line Organization Only.

# Proper Use of Personnel Departments

BY EDWARD N. HAY

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**I**N a small company all personnel functions are necessarily brought together in one person. As the size of the company increases the number of persons in the department grows, and the various functions begin to separate. In very large organizations each function is headed by a specialist. Vertical relationships as well as horizontal ones become more numerous as the number of levels of responsibility increases.

As a company increases in size the Personnel Department often begins to lose effectiveness. This loss of effectiveness is usually the result of one or all of the following causes:

1. Poor internal organization of the personnel department.
2. Lack of knowledge of all the details of his job by the personnel head.
3. Lack of appreciation by the chief executive of what can be accomplished by an effective well-organized Personnel Department.
4. Lack of sufficiently high ability of the Personnel Director.
5. In very large companies, lack of understanding of the general principles of organization by the chief executive and other executives.

## *Internal Organization of the Personnel Department*

**T**HE principles of organization apply to a personnel department as they do anywhere else. As an organization increases in size it divides itself automatically into a number of specialized parts. The problem of the head of the department then becomes primarily that of vitalizing and coordinating the efforts of the various specialized parts of the department and of facilitating their relations with all the

other numerous units and departments of the company. This problem is perhaps more pressing in a personnel department than in other departments because of the very wide range of contacts of the persons in personnel work. It is often noticed in large organizations that the various units of the personnel department tend to become separate, independent and uncoordinated units. This is sometimes because so many personnel heads in large companies are men who do not know thoroughly all aspects of personnel work and sometimes because they are men of but moderate ability.

### *Four to Seven Subordinates*

THOSE who are versed in the principles of organization understand that in accordance with the law of span of control an executive can intimately supervise the work of only a small number of subordinates, usually four to seven in number. This principle is as effective in a personnel department as anywhere else. One of the problems of organizing a personnel department in a large company, therefore, becomes that of grouping the various personnel functions so that the head of the department does not have to deal with too many people.

It would be well at this point to indicate the principal subdivisions of personnel work. Broadly speaking, they are seven in number:

1. Employment, promotions, transfers and separations.
2. Salary and wage administration and incentives.
3. Training.
4. Safety.
5. Health.
6. Research.
7. Industrial or labor relations, services and security.

### *Technical Personnel Functions*

IN MANY companies the technical personnel functions, such as the first six of those enumerated, do not become highly developed except in those rare cases where the Personnel Manager happens to have an unusual ability or interest in that direction. Companies that have not experienced the benefits of successful programs of psychological testing do not know what they miss. The same may be said of job evaluation and good training.

An important reason why the various sections of the personnel department should be closely coordinated by the Personnel Manager is the need for constant "selling" to the operating organization. No personnel function can be fully effective unless it is accepted and found useful by the operating departments. This acceptance is in part dependent on the attitude of executives at and near the top of the organization. The personnel manager must be an individual who can effectively present his program to all elements of top management, and he can do this best if he himself is a member of top management.

For effective results in a medium or large company, therefore, it is necessary that:

1. The Personnel Department be divided into a suitable number of units not exceeding about seven.
2. The Personnel Manager must have the experience and ability to closely supervise the work of the heads of these sections, and of coordinating them into a single closely knit and smoothly working personnel program.
3. The Personnel Manager must be able to present his program effectively to the operating executives, and to the operating organization as a whole, and be able to provide the opportunity for his subordinates to carry out their duties in all other departments and at all levels of authority.

### *Place of Industrial Relations*

WE HAVE placed industrial relations last in our list of personnel functions. This is not because we regard it as least important, but because of its distinct nature.

Indeed under pressure from labor in recent years it has happened in many companies that the industrial relations function dominates everything else. Indeed often some of the other personnel functions, except employment, are apt to be rudimentary or non-existent. This situation is accentuated by the circumstance that few men who are endowed with the personal qualities which enable them to deal effectively with organized labor and with people, have any liking for or aptitude for such technical personnel functions as job analysis and job evaluation, psychological testing or training. As a result these latter functions are sometimes slighted or under-developed.

Over emphasis on labor relations results in a lopsided and poorly organized personnel department, and one which therefore does not "do the job" that it should in other respects.

### *Personnel Functions Interrelated*

IN SOME companies the industrial relations sections head is in charge of all personnel work; in others industrial relations is an entirely separate department from personnel; in others again line executives do all the labor relations work, leaving personnel the technical matters of employment, training etc.; in others there is an industrial relations department, but no coordinated personnel department.

In very few companies is there recognition of the fact that all personnel functions are not only related to overall efficiency, but are related to each other, for example, you cannot have good safety without good training; you cannot have good training without good selection; you cannot minimize wage grievances without good job evaluation. And you cannot have anything good without research.

Basically it is a lack of these recognitions that is the cause of poor personnel organizations.

### *Lack of Knowledge of Job*

IT is remarkable how frequently, especially in large companies, an individual is made head of the personnel department who has little or no intimate knowledge and experience in the details of personnel work. Such a man must learn his job from the ground up before he can hope to do a really effective job. One of America's largest companies is noted for the regularity with which it changes personnel managers at the headquarters of the parent company. In no case in recent years has the newly appointed head had any experience in personnel work, and needless to say the company's personnel program shows the ill effects of leadership which is lacking in specific qualification.

This practice is the result of the deliberate policy of rotating operating men into the personnel job for a few years, as a part of their business education, in the belief that the personnel man is essentially a business man and not in any sense a specialist. Unfortunately the job has become so technical with the adoption of systematic job evaluation, psychological methods and improved training practices that no mere "business man" can adequately fill it. It is just as reasonable to expect the research engineer and the sales manager to change places.

### *High Caliber Men*

IN RECENT years there has been a tendency to attract men of high caliber and suitable experience for personnel work, and in many companies the importance of the function has been recognized by making the personnel head responsible only to the chief executive, and in some cases by assigning to the personnel man the title of Vice President. However, it takes more than a title to make a good personnel man.

Intimate supervision of all elements of the program is necessary, and they must be closely coordinated into an effective program. It is difficult to see how this can be done by the personnel man who does not know, through practical experience, anything about the various personnel functions which he is to supervise. A suitable man of the highest ability requires at least three to five years to learn the minimum essentials of a complete personnel program.

### *Use of Experts*

UNTIL a few years ago anybody who suggested that psychology might be valuable in personnel work was considered theoretical, academic and visionary. However, the trend is now strongly toward the use of psychological techniques in industrial personnel work. It is a question whether the supply of trained psychologists will be adequate after a time. The experience of some of the companies that have tried it shows that a much stronger personnel program can be achieved by using the



techniques made available by psychology. These do not merely include tests in selection and promotion.

The psychologist can also be of great value in health programs, in mental health, training, job analysis, industrial relations and in safety programs. This being so, every personnel director ought to be something of a psychologist, and every large company should have one or more psychologists as advisors in the various personnel functions and for research. The same high standards for people in personnel work must obtain if we are to have a good program as is the case in any other recognized occupation, such as salesmanship or any branch of engineering. It is evident that in most occupations the most successful men are those of high ability, whatever their education or previous experience.

It is probably better to train an able man of sound judgment and good practical experience, giving him five to eight years to attain full development, than to rely on any particular college degree or other nominal qualification. However, once trained the personnel man must be kept on the job and not "rotated" away just when he becomes effective.

It is interesting to observe how many personnel men of today came from the profession of engineering. This is no doubt because of the technical nature of many of the elements of a good personnel program. For example, job analysis and job evaluation programs are best handled by men with a background in science, and with experience in manufacturing operations. There are many instances of engineers in personnel work who have taken up psychology with success.

Certainly the personnel manager must know all the details of his job.

### *Lack of Appreciation by Top Management*

ONE of America's leading industrialists said recently at a conference of personnel men, "We who are the heads of industrial companies look to you personnel men to tell us what we should do. We expect you to know your job and to tell us what needs to be done." This attitude is not as usual as it should be. However, it is sufficiently common to account for quite a number of very successful personnel programs.

When a chief executive of that type is fortunate enough to acquire the right kind of personnel man, and to give him his encouragement and guidance, it is not surprising that a good program is the result. Unfortunately, however, a large number of chief executives take the position that they came up through the ranks themselves and, therefore, know what is to be expected in each division of the business. They take it for granted that they are fully acquainted with personnel work, just as every successful executive assumes that he is "a good judge of human nature." Top executives of this kind do not like to subordinate their judgment to that of experts, which probably accounts for much of the opposition to testing and other psychological methods which is so common in industry.

The usual attitude of opposition to and derision of psychological testing and of methods of job evaluation on the part of many industrial executives is hard to under-

stand. The president of any large company would be the last man to try to be his own lawyer or his own doctor. Why should he assume that he knows all there is to be learned about human nature? One of the reasons why so many engineers in personnel work have been successful with tests and with job evaluation is that they approach all their problems with the scientific attitude. That is, first of all they respect facts, secondly, they seek to master every "tool" that is available that might be useful in the solution of the problem, and third they work systematically.

One of these engineers in personnel work explained his successful use of tests by remarking that when he came to personnel work he quite naturally looked about him to see what body of scientific knowledge was available that dealt with people. He found psychology and later became acquainted with psychiatry. Most personnel men today, who have not actually used tests, do not know that the basis for the successful use of tests lies as much in mathematical statistics as it does in psychology itself. This explains why the engineer is so much at home in using tests. His engineering training has been almost entirely in mathematics, pure and applied.

### *Mr. Stettinius Speaks*

**A**N INTERESTING proposal was made a few years ago by a prominent business executive. Mr. Edward R. Stettinius, spoke at the Harvard Graduate School of Business Administration in 1936 on the subject, "The Selection of Development of Executives in American Industry." Mr. Stettinius recommended that industry assign a man of the highest ability and industrial experience to the job of introducing "An Orderly and Methodical System for the Discovery, Development and Assignment of Executive Personnel."

He deplored the "Catch-as-catch-can Methods" of business which are employed to find the key men who are to run the business in the future. He remarked "it cannot generally be said that the subject of executive personnel in industry is given the attention which it deserves." He points out that equipment and supplies are kept track of very carefully and their future demand carefully forecasted. How unintelligent in comparison is the usual and accidental method of developing executive talent.

Mr. Stettinius somewhat defensively says he does not wish it understood that the chief executives of industrial organizations are not fully qualified to deal with this matter of executive personnel. Of course, they are, he insists, but goes on to say that they should develop a technique of personnel administration "headed by a specialist who will present to the chief executives the carefully analyzed facts," etc. I applied this proposal during the time I was in O.P.A. in Washington by having an "Executive Placement" man employed by the Personnel Division. When Mr. Chester Bowles was appointed Administrator, he and his department head made full use of this function.

### *Scientific Search for Executives*

**T**HE exact manner in which this development program for the discovery of executive talent was to be established is not important. The speaker was apparently not familiar with the use of scientific methods in appraising human ability. He

approached very closely however when he said "certainly it must be admitted that the search for executives is only rarely what in any sense could be termed scientific." He goes on to advocate the scientific method without explaining just what he means.

This is not surprising when it is considered that in 1936 not more than a dozen American corporations were effectively using the scientific method in the appraisal of man power. Mr. Stettinius' speech in 1936, however, was prophetic of the tremendous increase in interest in applied psychology and other applied sciences in the personnel field.

Since the effectiveness of any organization is directly dependent on the suitability of the men and women who comprise it, it is remarkable that so few managements have given primary attention to selection and promotion.

All good executives think, and usually with good reason, that they are the best judges of the men who work under them. No personnel man would deny it. But predicting the performance of a stranger is a different task entirely. If we could afford to hire every man on six months trial there would be few problems in selection. The trick is in picking the right man at least nine times out of ten with only a few hours to study him. That is the job of the personnel man and it is the place where scientific methods, properly used, will help. When management becomes more aware of the tremendous possibilities inherent in good personnel methods there will then be more of the scientific method in personnel work.

### *Lack of Sufficiently High Ability*

IN AN increasing number of companies the Personnel—or Industrial Relations—Director is a man of high ability, and one who holds his own with the top executives of the organization. It is still more common, unfortunately, to find that the Personnel Director is a mere assistant, frequently a bright young fellow, an ex-clerk or someone who failed as a foreman. Too often he is subordinate to every executive and foreman in the company, and must conform to their wishes no matter how many contradictions are involved. Obviously the personnel program will amount to little in such circumstances.

There are two reasons for this condition.

1. The chief executive perhaps does not know how to use a personnel department and therefore does not consider it important. Consequently he does not secure the right man to head it, or does not give a good man any standing.
2. The chief executive may be fully aware of the importance of the personnel function, but may not understand the exact nature of the function itself well enough to staff it adequately.

As a result it is too often only an accident if the Personnel Director happens to be a man who can get the most out of the job.

### *Lack of Understanding Organization*

ONE reason why many personnel programs are not fully effective is because top management does not understand the principles of organization, and in parti-



cular the effective use of functional departments in combination with line organization. This is not the place to enter into a detailed discussion of the principles of organization. It is not enough to say that personnel is a functional department and not a line one. The principal functions in a manufacturing organization are engineering, manufacturing and sales, and they are the "line" departments in this case. The comptroller's and personnel departments are the functional departments. As such they have access, in the name of the chief executive, to each of the line departments and at every level in those departments.

This is another way of saying that the President can reach any problem in one of the line departments through two separate channels. First, through the line organization itself and, second, through either or both of the functional organizations. If the problem is one of cost-keeping the President can secure the judgment and opinion not only of the works manager and his subordinates, but also of the comptroller and his staff. He may then choose between these opinions if they conflict or secure a coordinated blend of them. The same principle operates in personnel problems.

### *Checking a Union Complaint*

IF UNION complaints reveal undesirable conduct on the part of the foreman, the President may secure the judgment of the personnel manager and of the works manager. Perhaps it may prove to be the familiar case of a capable foreman who cannot get along with his men. He can do good work and knows his business but he may be unfair or dictatorial or quarrelsome with his men. The works manager may defend him because he "gets out the work" whereas the personnel manager may conclude that at the end of the year the company would have shown a higher net profit if this foreman had been replaced with one, who though slightly less skilled in his job, had the happy faculty of obtaining the confidence and enthusiasm of his men and thereby in the long run turning out his product with less stoppages and in higher volume.

### *Two Shots at a Problem*

IT is singular, to say the least, that so many chief executives do not understand how to use the functional departments effectively. As one executive puts it, he "gets two shots at a problem" instead of but one by working through the head of the functional department as well as through the head of the line department concerned, and he is never in the position of having a situation obscured from his vision by the biased reports of a defensive or recalcitrant operating department head. At the same time he is never forced to go over the head of the department chief.

A chief executive who understands the principles of good organization and management will get far better results with his personnel department than a man who does not have this understanding. Fortunate indeed is the personnel man who has the opportunity of working under a chief executive who thoroughly understands these principles.



It Is Possible by Taking into Account All the Background Factors Related to Absenteeism to Forecast Fairly Accurately Which Employees Will Periodically Stay Away from Work, and How Often.

# Factors Involved in Absenteeism

BY JOSEPH H. JACKSON

Berlin, Conn.

ABSENTEEISM has been spotlighted for the past year as one of the critical problems of an American industry struggling to meet increasingly high production goals in the war effort. At the present time, when the country's available manpower pools have been drained, when much of the possible transfer of workers from civilian to essential war work has been completed, when industry still has to turn over many of its trained workers to the armed forces, one of the few ways left for industry to maintain or increase its production is to attack the prevalent absenteeism as well as the labor turnover.

This fact is shown by the emphasis on the recording of absenteeism and the programs to diminish absenteeism in the country's many critical labor areas, under the pressure of the War Manpower Commission. Rather than simply sizzling verbally about absenteeism, during the next year industry will have to develop dynamic measures against it.

## *"I Won't Go to Work Today"*

WORKERS do not just decide in a vacuum, "I guess I won't go to work today". The absentee worker is almost always definitely maladjusted to his job for one reason or another. One or more causes *force* employees into absenteeism. It is obvious that we cannot know how to readjust the worker to his job unless we know what caused his absenteeism so that we can get at the roots of the trouble.

It is my purpose to discuss the factors involved in absenteeism as they were discovered in a statistical and case history study of a large group of absentees. Such

knowledge can lead not only to the formulation of more adequate programs against absenteeism, but also to more effective treatment of the individual absentee.

### *Study Described*

THE investigation of the causes of absenteeism was made in a machine shop having several thousand employees. It was limited to the machine and assembly workers, since clerical and office employees do not present such an important absentee problem. The plant studied was located in a critical labor area operating under an employment stabilization plan. Workers of high skill were used in the shop in turning out precision machine tools, and workers of lesser skill produced finished screw machine products. The average absence rate for the plant ran around 7% of the total available working time, a little above the country's average for machine shops.

A sample of 550 employees working in 8 departments was selected for an intensive investigation. Care was taken that this should be a fair sample of the shop, and also representative of the workers and the conditions prevailing in most machine shops. The investigation was based on data collected by the author and known to be reliable. The conclusions about absenteeism are the result of the usual techniques of statistical analysis.

The representative nature of the sample is illustrated by these features: The sample covered employees working on assembly, grinding, milling and drilling, multiple and single spindle automatic screw machines, and threadgrinding. It included employees working on day rates, premium or bonus rates, and piece-work rates. Small, medium, and large departments were covered, size of department running from 35 to 125 workers. The departments showed a wide range in absenteeism, varying from 3.7% to 11.7% average departmental absenteeism for the period of 11 weeks covered. Both men and women employees were covered, the men working a 60 hour week on both the day and night shifts, while some of the women were working a 48 hour week and others a 55 hour week, depending upon their department.

The data covered the individual absentee records for the 11 week period for all 550 employees, case histories of the 120 employees showing an over-average absence rate based on interviews of the employees themselves and their foremen, and data from the individual records in the personnel office.

### *Few Lose Much Time*

THE investigation verified the recurring observation that only a small percentage of the employees lose a large share of the total time lost through absenteeism. Thus 40% of employees lost not a minute of time for any reason during the 11 week period, showing themselves well adjusted to their work. Of those who were absent 7 out of every 10 employees lost only two days of working time or less during the

period. Programs against absenteeism must be devised so that they strike against the other 3 out of 10 employees who lose up to 50% of their scheduled working time. It is these employees who can tie up production effectively by simply not appearing for work. When they chance to hold a vital job in a department they can prevent other workers actually on the spot from getting anything done.

### *Tardiness More Serious than Strikes*

FOR the whole sample, sickness accounted for slightly more than half of the absenteeism, absence without reason or AWOL for a third of the absenteeism, absence for an adequate reason with the permission of the foreman for a tenth, and tardiness for about one fiftieth of the absenteeism. The .1% to .3% of the available working time lost because of tardiness is three to ten times as great as the amount of available working time lost in the nation because of strikes. When we consider this fact, absenteeism begins to assume startling proportions. It was found that tardiness and absence with permission do not vary much, while the varying types are sickness and AWOL, sometimes switching places in importance from month to month. Both sickness and AWOL are types of absenteeism that can be cut down by a widespread absentee program, and should receive the greatest attention.

The absence rate of the women ran from 1% to 2% higher than that of the men. Comparatively, the women showed a greater than average sickness rate, a much smaller tardy rate than the men, and the beautiful species demonstrated its stronger sense of responsibility by the fact that its AWOL rate was lower than that of the men, and the women asked for more time off with the permission of their supervisors.

### *Causes of Absenteeism*

A THOROUGH study was made of the employees who were losing a more than average amount of time, in order to locate the sources of their maladjustment. The causes were discovered by interviewing these employees and their foremen. They are listed below in ascending order of importance:

- 1) *Poor work habits*, indicated by trouble and fighting with other workers or foremen, laziness, tardiness, horseplay, and bad previous work records. . . . . 6%
- 2) *Personal maladjustment*, indicated by separation, divorce, family quarrels, symptoms of psychoneurosis, unstable personal life, drinking, breach of peace, etc. . . . . 9%
- 3) *Dissatisfaction with work*, indicated by many transfers, complaints about work, machines, or men, complaints about pay or working conditions, lack of interest or ambition, complaints about the management. . . . . 16%
- 4) *Irresponsibility*, indicated by unexplained absenteeism, incapability of being left on own resources, not valuing the job but

- thinking leisure activities more important, no loyalty to the company or job..... 17%
- 5) *Outside difficulties*, indicated by outside business or shopping problems, home responsibilities, transportation and housing difficulties, moving, visits to out-of-state homes..... 17%
- 6) *Sickness or fatigue*, indicated by evidence of sickness, doctor's or hospital's care, accidents resulting in lost time, and complaints about health, fatigue, etc..... 35%

### *Combinations of Causes*

FOR only one third of the employees interviewed was one of these causes alone active. Usually the absenteeism was a consequence of a combination of the causes. On the average, 2.1 of the causes were operating in an individual case. Sickness was most frequently related to the other causes. A long siege of sickness or chronic illness must leave the worker particularly open to the action of the other causes of absenteeism or, *vice versa*, the action of these other causes must produce ill health. The employee may be in a more or less incapacitated state before or after sickness, and so get maladjusted in other ways.

He is more likely than the average worker to be irresponsible, to be dissatisfied, to develop poor work habits, or to be personally maladjusted. Sickness is, in itself, the major cause of absenteeism. But when combined with the fact that it is highly likely to be accompanied by the other causes, sickness assumes great importance in explaining and counteracting absenteeism. The investigation also showed that ill health or sickness as a reason for leaving previous jobs is more closely related to absenteeism than any of the other reasons for leaving previous work, including discharge.

Absenteeism, then, is not simply the result of more workers with more money having more fun. Its roots run deep down into our economic and social problems. Considering these varied causes of absenteeism it will be seen that only an all-embracing program against absenteeism can be truly effective. The management, the personnel office, employee organizations, and civic organizations must all cooperate in counteracting these causes of absenteeism.

More knowledge for dealing adequately with the individual absentee may be gained from a study of the way certain background factors or conditions influence an employee's work and absence record. These background factors are listed below with their relation to absenteeism explained.

### *Age*

EMPLOYEES in the 26-35 year old group show the lowest absence rate. They are usually fairly skilled or learning skills, their family and financial responsibilities are growing, they are working for advancement and they are settling down to life.



The younger workers, in the 16-25 year old group, have a considerably higher absence rate, and those over 35 years of age show absenteeism increasing very rapidly with age. This increase in absenteeism over 35 is due almost entirely to increased sickness rates. Absence without permission or AWOL tends to decrease steadily with increasing age. The 16-20 year old group has the highest AWOL rate and the 66-70 year old group the lowest AWOL rate.

### *Race*

**A**BSENTEEISM varies considerably and regularly among racial groups. This is not related to the size of the racial groups in the shop or community nor to the average age differences between the racial groups in the shop. As is the case with labor turnover, this represents in part the skill of the average racial groups and the consequent positions held in the shop, and in part the length of time the racial groups have been settled in the community and made themselves genuine members of it. For example, the German and Scandinavian groups showed very low absence rates, commanding high machine skills and good jobs as they do.

On the other hand, the French-Canadian group showed a high average absence rate, since they had more recently moved into the community and were relatively unskilled at machine shop work. However, other factors must have played some part in the definite racial differences found, and the conclusions based on one plant in one community could not be expected to hold generally. As with labor turnover, absenteeism is definitely related to racial groups, but the relationship must be discovered under the particular conditions of an industry and a community.

### *Original Locality*

**T**HE employees who had always lived in the community where the shop was located showed the lowest absence rates. Those who lived in surrounding areas, within 10 miles of the shop, showed a higher absence rate, with transportation posing an immediate problem for them. Those workers coming from other towns in the state showed an increased absenteeism, and the highest absence rate was shown by employees coming originally from neighboring states, often leaving their families there because of very restricted housing conditions and taking "long week-ends" to visit them.

The groups coming originally from even greater distances showed absence rates decreasing with the distance. These employees evidently could not often spend the time or money to return home and had to readjust more thoroughly to life in a new community if nostalgia did not force them to quit quickly and return to their original locality. So absenteeism is shown to be a definite function of the original locality of the worker.

*Marital and Dependency Status*

SINGLE employees with no dependents showed an over-average absence rate. A slightly higher rate was manifested by single workers with one or two dependents, and by married workers with no children. After these groups, an increase in the number of dependents showed a definite and regular decrease in absenteeism. Apparently, the greater home responsibilities of these workers with from 2 to 5 dependents resulted in much steadier working habits.

*Number of Previous Jobs*

ABSENTEEISM decreased steadily with increase in the length of time worked for the shop. The employees who had been with the company longer had built up regular work habits and showed increased loyalty to the job and to the company. They had more friends in the shop, held more responsible positions, and participated in more shop social and recreational activities. Those who had worked for the one company alone, or had come directly from school to the company, showed the lowest absentee rates.

Employees who had worked in 1 to 2 other plants showed nearly twice as high an absence rate, and the rate increased steadily with the number of jobs an employee had held before he came to work for the company. An increased individual turnover rate means an increased absenteeism.

*Reasons for Leaving Previous Jobs*

A DEFINITE relationship was found between an employee's reasons for leaving previous jobs and his absenteeism. When the worker left because of some company action (laid off for lack of work, company moved, discharged) his absenteeism was likely to be low. When he left on his own initiative for reasons of his own (other job, dissatisfied with pay, dissatisfied with job) his absentee rate was somewhat higher. When he left for reasons beyond his control and often likely to recur (outside difficulties, sickness, army, transportation) his absence rate was very much higher. This was probably due to the fact that sickness or various outside difficulties such as family troubles, would be likely to appear again, leading to irregularity on the new job.

*Earnings*

EVERYONE nowadays can give you his favorite vest-pocket example of the man who works three days a week to make \$70 to \$90 and loaf the rest of the week. This investigation of 550 employees showed that such workers are very atypical. Computing the average weekly earnings over a 6 month period for these employees, and comparing the earnings with their absence rates showed that absenteeism definitely decreases with increasing pay, on the average.

Employees who made \$40 to \$60 a week lost an over-average amount of time. On the other hand, workers who averaged \$90 to \$110 a week lost less than half the average absenteeism for the whole group. These most highly paid workers were the steadiest. Exceptions may occur and should be dealt with, but they do not constitute the rule. The other causes and factors which have been named play a more important part in this deadly serious game of absenteeism.

### *Upgrading*

**A**N EMPLOYEE may be "upgraded" when he is hired by being given training on a more skilled job than he has ever done before. Those upgraded in this manner when they entered the employ of the company showed a very low absence rate, proving the effectiveness of this policy. On the other hand, those downgraded from a previous skilled job to a semi-skilled or unskilled job when hired showed a very extreme absence rate, proving the inadvisability of such a procedure. Such workers are incapable, for one reason or another, of exercising a previously learned skill and find it very hard to adjust to a "lower" type of work.

Those workers who were upgraded by transfer or advancement from one job to another while employed in the shop had an absence rate of only half of the shop average. While this is partly due to the selection of good steady men for such upgrading, it is also due to the advancement itself, giving the employee a more skilled job to master, more responsibility, pay, and self-esteem. Such upgrading of a systematic nature has definitely proved a paying policy in terms of the resultant work record. The turnover rate for the period studied was one third as great for the upgraded group as it was for the whole group investigated.

### *Gaps in Productive Efficiency*

**T**HE factors discussed, namely, age, race, education, original locality, marital and dependency status, number of previous jobs, reasons for leaving previous jobs, earnings, and upgrading record have been found to vary most regularly with absenteeism. Consequently, they should be noted and can be used as signs of conditions producing the absenteeism of the individual worker. If these are kept in mind by foremen, personnel men, shop stewards, and supervisors when trying to locate the absentee's problems they will be found very helpful as the author's experience can testify.

On the other hand, the immediate causes of absenteeism, namely, poor work habits, personal maladjustment, dissatisfaction, irresponsibility, outside difficulties, and sickness should be considered by management, labor-management committees, and civic organizations in attempting to formulate programs to diminish absenteeism. Some of these factors are relatively easy and others very difficult to control. But all of them must be attacked with a many-sided program if we are to master the absenteeism that tears great gaps in our national productive efficiency.



Question: What Do You Upgrade the President of a Company To? Answer: Believe It or Not We Upgrade Him to Liking Himself Better Generally. There Are More Unhappy People Up There than There Are Down at the Lower Levels.

# Upgrading *and* Deskilling

BY PERRY L. ROHRER

Stevenson, Jordan & Harrison  
Chicago, Ill.

**I**F you split open the head of an average person in industry today, who has to do with the employment of people, you would undoubtedly find it full of concern about the ever increasing scarcity of labor, and the decreasing quality of labor, with an increasing concern over how he is going to meet the manpower demands for his increased production load ahead. That thrusts us immediately into several rather serious and practical considerations of how we are going to meet this situation.

## *Ten Psychologists on Job*

**I**HAVE a staff of ten psychologists who received Doctor's degrees in various universities at the present time scattered from Boston to Minneapolis in some 42 different corporations, working on these problems of upgrading and building the manpower of these industries. All I do is keep my finger on the pulse of these various corporations, and what I am going to do today, in a few minutes, is to review for you some of the things that are going on in these corporations where we are working and let you feel the situation as I have sensed it in these corporations, and review, briefly, what we, as a management engineering company, are trying to do to meet this problem.

The first thing that impressed me as I get about in both large and small companies and corporations,—is a need of some organized and systematic way of getting at this problem of upgrading. I was down in a western city the other day, talking with a company there which is in a tense situation trying to meet this ever expanding condition in the manpower problem that's coming and trying to get themselves



organized to use efficiently their manpower. I said to the personnel director, "Have you got any facts and figures to show how many of the 2400 people you have can run a multiple spindle automatic screw machine?" He said, "To be really truthful, we haven't, but we have got an ad in the paper for multiple spindle automatic screw machine operators."

I said to him, "Wouldn't it be a joke if you found out that here in your hourly rate people, you have as many people or more than you need with multiple spindle automatic screw machine experience?" He said, "We might have"; so I said, "Why don't you get busy and find out?"

### *Are Our Faces Red*

I HAD a letter this morning from him saying, "Are our faces red? We found upon a survey of the job knowledge experience of three departments, 67 people who had that very experience that we were advertising for."

This situation is not unusual. The reason I make that suggestion is that I am running across it frequently, and far more serious than that, I am finding invariably in correspondence with clients that they have a serious shortage of people for certain skills. I am finding when we install a testing procedure for allocating aptitudes necessary for those jobs, frequently requiring close tolerance, or other specific skills, that when we set up procedures for upgrading by aptitude tests, clerical tests, etc., we invariably turn up with more people in the upper 25 per cent than they need.

And that brings me to the next point. Upgrading has two primary, essential aspects. Internal upgrading, and upgrading of new people or outside applicants. Half a dozen corporations have set themselves to the task of internal upgrading, reallocation of manpower through selection, and the concomitant problems you get into with the Unions and situations you have to work out with the Union as it relates to seniority, etc. But here is one of the most frequent situations I run into across the nation in internal upgrading, and frequently you have got within your own corporation the answer to the problem, if you can set yourself up properly for the internal upgrading, and as a result you get an uplift in morale.

When you have a large number of jobs requiring close tolerance, you have to get individuals with hereditary background of a high degree of steadiness in the central nervous system or neuro-muscular coordination and fit those people in the jobs which require close tolerance operations and fine coordination.

### *Less Scrap*

WE FOUND, over in Detroit in a company where they have a large number of girls doing internal grinding, and also working on automatic screw machines and various other types of grinding and inspection, by upgrading those people at the time they entered the plant, that the average production of the upper 25 per cent equalled the average production of the old timers. We found also that their scrap

was lower than the old timers. Now you contemplate what that means to production when you get into that kind of an upgrading program.

In another plant where they were grinding crankshafts for the mosquito boat engines, the last position was the finished grinding operation. A worker scrapping at this point would scrap about \$900 worth of material, and he would knock out of production an entire engine. We tested the people on that operation and gave them only the upper 5 per cent on neuromuscular coordinating ability, and we cut scrap down to almost zero—to where it almost never occurred.

What we do is set ceiling estimates for management so they encourage an individual to grow on the level where he is at and don't move him beyond his abilities.

### *Use of Color Codes*

**Y**ELLOW indicates a man will do, but is a poor investment. Red means a man should be taken off the job, and transferred to some other job. Black indicates an individual is average on his job. Green means he functions at a superior level, while blue means unlimited ability. We upgrade within the organization by giving top management a color code on an organization chart, together with written reports for each individual, so if they want to study it further they can find out why an individual is green or black or blue.

Now in my opinion of all of the aspects of upgrading there is none so significant as this. There is no one who is a forgotten man in this country so much as the top man. Now I used to spend a great deal of time tinkering around with the people down at the lower levels of responsibility who can't do much about it anyhow. We might just as well stop kidding ourselves. The people at the top set the policy. If there is a personnel manager here, let me tell you the thing you know, most of you have got 10 parts of responsibility and one part of authority.

You have got to have, if you are going to talk to a man about how he is doing his job, a job description. The first thing we do is make a job description of the President and get that President to agree that's what he ought to do. Then we sit down with him and discuss how he is doing on his job. I have never yet found a man, a Works Manager, or Plant Manager, or Head of Engineering, or whatever it is, where I could not sit down and take his job and say, "Now Charlie you are getting paid \$15,000 a year for this and part of that is for your ability to delegate responsibility. Now you aren't doing that. You appoint committees and then you go and tell them what to do. Don't tell me you don't. I know you do."

### *Red in the Face*

**H**E GETS a little red in the face and says, "Maybe you are right." "Charlie, we are going to change that. The Board of Directors wants that changed," and then Charlie listens.

Then we go a step further. We say, "We will sit here and supervise while you

change it." You can laugh, but I have ten psychologists in the field today, and all they are doing is spending time with top supervision, and they get a daily report, "What did you do today?"

Now bear in mind one thing. Always keep it on his job, the failure or success on his job, and you won't have any trouble. If you get over into personalities and say, "Joe you aren't so good, you make enemies." He will say, "I am no worse than you are." That's what happens. If you say, "Joe, this is your job," and he says, "Yes." "Well you did so-and-so; is that carrying out your job?" He has got to admit it isn't, and he will take it and try to do something about it.

This, in my opinion, represents the most important aspect of upgrading. We have got to do the other things too. I have got four men out today doing nothing but upgrading hourly rate people, clerks, typists, comptometer operators, and punch press operators, in all kinds of plants.

### *Breaking Up Jobs*

SO MUCH for the question of upgrading, and now I come to the second feature of my supposed speech, which is "Deskilling." We converted in many industries from all sorts of peacetime industries to war time industries. When the present war hit us, I was working in a plant in Detroit that made automobile bodies. We had to convert them to make a bomber. We had men with all kinds of seniority being transferred; we had a very short time to get into production. We put aircraft on the assembly line and had it moving rapidly and smoothly. We went through what many of you no doubt went through. We went through the problem of taking people with one skill and putting them into a new skill. One of the first things I discovered was that we would have to deskill.

When you convert from one skill to another, you deskill. If you don't you have trouble. I discovered very quickly that if we could break one job in two separate jobs we would get more than twice the increase in speed in getting into production. It has something of a geometric ratio appearance.

We discovered another interesting thing by deskilling. The people with another skill fall in line quicker. We put a person on bucking and then teach him riveting, and lo! the time to learn riveting is about one-tenth of what it was if we tried to do it together.

### *Reinventory, Reshuffle, Relocate*

I THINK we are being forced to one inevitable conclusion. We are going to have to use a lower level of labor. We are going to have to break it down into smaller bits, deskill it, and inventory our available manpower by aptitude and fitness tests, and fit those aptitudes into the jobs and skills required. We are going to have to reinventory, reshuffle, relocate manpower by knowledge and aptitude, and assign that by careful study of the skill required in the job set up.

Now if we don't do that, we are going to do it the long, hard way. As a matter of fact, all indications are we are not going to be able to meet the manpower requirement in many of these skills. In the last six weeks I have been informed that they take the schedule of the load ahead, and materials coming in and set up a corresponding schedule for manpower. As of June 1st, how many of this and that do we have to have. All plants set up that way are coming nearest to the peaceful answer.

*From a paper given before the Chicago Chapter of the National Office Management Association.*

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### HAVE YOU SPARE PERSONNEL JOURNALS?

Some issues of the Personnel Journal (as listed below) are required for use by war industries, but are out of print.

If you have copies of these issues, which you are not using, will you kindly return them to us, so that we may send them out to the companies requiring them. We will pay full price for them.

Vol. 21, Nos. 1 and 2. May, June, 1942.

Vol. 20, Nos. 7, 9 and 10. Jan., March and April, 1941.

Vol. 16, No. 3. Sept., 1937.

Vol. 14, Nos. 1 and 2. May, June, 1934.

*Personnel Research Federation,  
60 East 42nd St.,  
New York, 17, New York.*

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Temperament Inventories Are by No Means Perfect Yet They Are the Most Scientific Instruments Available for Predicting Whether a Job Applicant Will Fit Into a Company, and Where He Will Fit Best.

# Emotional Adjustment of Workers

BY JAMES F. BENDER  
New York, N. Y.

National Institute for Human Relations  
New York, N. Y.

PERSONNEL officers and others have learned that job dissatisfaction is the greatest single cause of labor turnover and that as much as 60 per cent of all job dissatisfaction has been attributed to emotional maladjustments. In other words, the temperamental or neurotic employee is a large item in the treasurer's debit column. Moreover, he is an unhappy individual whose contribution to society and his employer is limited by his emotional upsets. Yet until very recent times, even the most progressive personnel departments of business and industry have given but cursory attention to the measurement of temperament in employee selection.

## *Better Understanding Needed*

WHEN an employee's temperament becomes embarrassing to his employers, he is ordinarily dismissed or transferred to another job, usually the former. In either event considerable time and money are wasted in selecting and training him. Moreover, good will suffers, and what is more significant, the employee may ruin the *esprit de corps* of the department in which he works. For maladjustments of temperament have a contagiousness about them that depresses morale. In short, the whole problem of predicting temperament needs serious consideration in light of economical production, and improved human relations.

Specifically, the most urgent needs of many personnel officers, as the writer sees them, are:

1. A better understanding of the nature of temperament and its relation to the total personality.

2. A wider appreciation of the part temperament plays in vocational adjustment. (Job analyses should include estimates of traits of temperament needed)
3. Periodic re-evaluations of measurements of temperament.
4. The use of reliable methods of measuring temperament in employee selection.
5. Results of the use of tests of temperament should be reported to fellow workers in the field.

When these needs are met, we can anticipate a reduction in labor turnover, and an improvement in human relations on the job and in society.

### *What is Personality?*

**B**EFORE discussing temperament and its measurement, let us define personality so that we can better understand one of its chief components, temperament. Personality is conceived as the entire organization of a human being at any stage of his development; it is a highly complex phenomenon depending upon the interaction of heredity and environment for its development. Because of this complexity, the total personality is impossible to measure as a complete entity. Only segments of it can be measured at the present time. From a practical point of view, we have come to consider the measurement of personality characteristics in three main classes, namely, physical traits, mental traits, and traits of temperament.

### *Physical Traits*

**H**HEIGHT, weight, visual and hearing acuity, manual dexterity are only a few of the physical traits that are often measured in the interest of scientific job placement. Here is a personnel officer, for example, who must find ten men to splice steel cables. If he makes use of a testing program, he may include a test of strength of hand grip among the battery, which will depend upon the analysis of the job to be filled. In this example, the analysis would point to the basic importance of physical aspects of the personality. Another personnel officer needs men of a certain height to tend carbon-coating machines. Height, then, becomes an important aspect of personality for that job.

### *Mental Traits*

**M**EASUREMENTS of general intelligence and specific mental capacities and abilities constitute the most frequently used tests of personality. Here is a bank that selected more than 125 tellers last year for its various branches. Among the personality characteristics that the tellers must possess is above-average capacity in arithmetical computation. So one of the standardized arithmetic tests was included in the qualifying battery.

Some years ago, when intelligence tests were first used in employee selection, a large company chose the fifty highest scorers on an intelligence test. The job for

which the fifty women were selected was packing small, fragile articles. A careful record of their individual production was kept. At the end of a few weeks it was found that the most intelligent either had quit or were producing less than when they began; and conversely, those with lower intelligence scores revealed increased production and job satisfaction. The conclusion seemed justified that high intelligence was a deterrent to successful adjustment to this job. There was not enough "challenge" in it to hold the interest of those having superior intelligence. Through such experiences we have learned what degree of intelligence is ideal for many jobs.

### *What Is Temperament?*

LIKE the physical and intellectual aspects, temperament designates a certain group of raw material from which personality is fashioned. Temperament may be conceived as the characteristic traits of a person's emotional nature including the change and intensity of his moods. It is fundamentally dependent upon his inherited, constitutional make-up, and is difficult of objective measurement. However, the measurement of temperament has been attempted from a number of different approaches, two of which we shall consider here because they are influential in present practices in business and industry. They are called the trait hypothesis and the type hypothesis.

### *What Is the Trait Hypothesis?*

THIS hypothesis is based on the main assumption that generalized and complex dispositions offer a plausible picture of temperament. Traits of temperament are thought of as personal dispositions overlapping one another in composition and function but nevertheless identified by focal characteristics and basic drives or purposes. The proponents of the hypothesis agree that temperament may be composed of many specific habits, but running through them, like a diapason, are certain basic dispositions or motifs. For example, they admit that a person may be neat about his clothing and untidy about his desk. But these are opposite manifestations of a more fundamental trait—egotism, which can be measured.

It is said that there are more than 11,000 names of traits in Webster's New International Dictionary (unabridged), some of which seem common enough to be compared from one individual to another. These traits, such as, introversion-extroversion, perseverance, dominance-submissiveness, neurotic tendency, confidence-in-one-self, sociability are scalable, and therefore useful concepts in the hands of applied psychologists and trained personnel officers.

### *Woodworth's Work*

WOODWORTH is accredited with preparing in 1917 the first questionnaire for determining maladjustments of temperament. His *Personal Data Sheet*, sometimes known as the *Woodworth Psychoneurotic Inventory*, has been widely used during the past decade, and its reliability has been proved statistically. The distinctive

feature lies in its provision for measuring six traits of temperament on the basis of the same 125 questions. The individual may answer each question by *yes*, *no*, or ? (meaning "entirely unable to answer either *yes* or *no*").

Sample questions are: "Do you day-dream frequently?", "Do you get stage-fright?", "Have you ever had spells of dizziness?", "Are you troubled with the idea that people on the street are watching you?", "Do you ever argue a point with an older person whom you respect?", "Do you usually avoid asking advice?"

After the replies are scored by six separate scales, ratings are assigned on the basis of (1) neurotic tendency, (2) dominance-submission, (3) introversion-extroversion, (4) self-sufficiency-dependency, (5) confidence-in-oneself, (6) sociability.

### *Bernreuter's Interpretations*

AN EXAMPLE of the interpretation of these scales is provided by Bernreuter's description of the first scale: "The individual who scores high on the B1-N scale shows a tendency toward neurotic condition. Such an individual often feels miserable, is sensitive to blame, and is troubled by useless thoughts, by shyness, and by a feeling of inferiority. He feels shut off from other people, he frequently day-dreams, and worries both over things that have happened and over things that may happen . . ." "The individual who scores low on the B1-N scale is an emotionally stable person. He is rarely troubled by moods, by worries, or by criticisms of others. He is self-confident, and is a doer rather than a day-dreamer . . ."

### *What Is the Type Hypothesis?*

SOME psychologists attempt to account for the variety in human temperament by setting up classifications or types. Their thinking denies the normal distribution of a trait along any scale and the fact that the *typical* individual is not found at either extreme of such a scale but rather in the middle. Conversely, they choose atypical individuals, those that stand at the extremes of deviation from the average human being as representing these types. There are numerous typologies based upon physique, intelligence, and temperament. One of the typologists who did a great deal of work with emotionally unbalanced soldiers in the First World War was A. J. Rosanoff who emphasizes four types of emotional maladjustment in addition to the *normal type*:

### *Types*

1. *Cyclothymic type*. "The constitutional basis on which the manic-depressive psychoses develop. Under this head are to be distinguished; (a) manic make-up; (b) depressive make-up; (c) irascible make-up; (d) emotional stability.  
"These traits are shown in childhood in the form of readiness to cry, screaming with rage, elation and boisterousness, emotional



instability, talkativeness, mobility of attention . . . pranks . . . madcap adventures, and youthful enthusiasms, all of which in the normal tend to sober down with increasing maturity."

2. *Autistic type*. "The constitutional basis on which develop dementia praecox psychoses. The most fundamental trait is narrowing or reduction of external interest and contacts, and preoccupation with inward ruminations."  
"In childhood, it appears in the form of painful shyness, incooperation in conversation, often amounting to mutism, mannerisms, stereotypies, complete abandonment to autistic romances, even hallucinations and delusions. But normally they run a benign course and are outgrown."
3. *Epileptic type*. "... chiefly characterized by periodic fluctuations in mood, interruptions of consciousness, delirium, transitory periodic irritability, avalanches of ideas, moods of ecstasy, impulsiveness, tenacious and unreasoning prejudices, heightened self-feeling, meticulous attention to details, inconsistencies of conduct. In childhood also there may be convulsive attacks, which are outgrown in the normal cases but persist and increase in the permanent epileptic."
4. *Anti-social type*. "... the constitutional basis which underlies hysterical manifestations, malingering, pathological lying, swindling, and some criminal careers. The essence of it is the predominance of illicit selfish considerations in the behavior of the individual, combined with more or less lack of compunction. . . . These behaviors are also manifested in children, both normal and delinquent, merely as manifestations of maturity."
5. *Normal type*. "... is characterized by inhibition, emotional control, a superior durability of mind, rational balance, and nervous stability. Intelligence rating also tends to be fairly high and this condition has a high position of dominance in heredity to the other types of make-up."

### *The Humm-Wadsworth Scale*

BASED on Rosanoff's types, one of the most recent scales for measuring temperament is that composed by Donchester Humm and G. W. Wadsworth, Jr. of Los Angeles, California. It is widely used at the present time, especially in industry, and is composed of more than 300 questions of the kind used by Bernreuter but geared to the Rosanoff concepts. High reliability and validity are claimed for it. On the basis of the replies, rather detailed profiles of the individual's temperament are constructed in addition to diagnostic notes. The authors recommend an intensive course of training in its use before the personnel officer is considered capable of interpreting the replies. It is also somewhat more expensive than the Bernreuter Inventory both in regard to initial cost and scoring.

*Criticisms Lodged Against Temperament Inventories*

THE most frequent criticisms made of these inventories and their like are:

1. The very construction of such inventories is likely to be faulty. Although a person may know the correct thing to do and so indicate it in his responses, he may fail to act accordingly in the actual situation. Therefore, the temperament inventory cannot be truly reliable or valid.
2. The temperament inventory doubtless samples a variety of traits but pretends to measure a generalized trait. Hence it may be misleading to name the generalized traits and unwise to think of a person as having qualities corresponding to them.
3. The temperament inventory is based upon scoring methods that may be questioned. A perfectly objective scale is one in respect to which all competent thinkers agree, but a perfectly subjective scale is one in respect to whose meaning all competent thinkers disagree except by chance. Thus, the temperament inventory cannot achieve this objectivity because the items are of such a nature that there can be no agreement among competent thinkers as to correct and incorrect responses.

*What Are We to Do?*

ON THE one hand, we have numerous doubts expressed concerning the worth of temperament inventories as diagnostic and predictive instruments; and on the other hand, we have equally compelling reasons advanced for using such inventories in employee selection. What then shall be the attitude of personnel officers in regard to them? A reply to this question leads to the following point of view:

1. The estimation of temperament is a most important element in the process of employee selection.
2. Therefore, the best predictive instruments or processes for assessing temperament should be used.
3. We would therefore recommend as an ideal arrangement:
  - a. A thorough interview, or series of interviews if necessary, conducted by a carefully trained interviewer who knows abnormal psychology.
  - b. A trial period of employment during which the personnel officer can study the employee's temperament.
  - c. Administration and interpretation of a temperament inventory.

As there are few interviewers in employment offices who are prepared to gain a profound insight into a candidate's temperament on the basis of interviewing, the interview must be ruled out as the most reliable and adaptable means of predicting temperament in the average personnel organization. Likewise the trial period of

employment, together with study of the employee's temperament, are impractical for most companies to adopt.

### *Most Ready Means*

THAT leaves the temperament inventory as the most ready means of predicting temperament. When it is used it should be interpreted by a qualified psychologist, before a candidate is "labelled." However, the interviewer will doubtless find some of the candidate's replies on the temperament inventory to be useful as materials for discussion in the interview, *even if the scores are not used*. It has been the experience of many interviewers that a candidate for a job is readier to discuss personal problems on the basis of what *he* indicated on the inventory than to reply to direct oral questions of a similar nature coming from a stranger. Finally, results of studies of the temperament inventory indicate that it is a superior instrument on which to base a judgment than snap estimates, character reading, phrenology, or intuition.

In short, the best temperament inventories are the most scientific instruments available for predicting the temperamental employee. As such they warrant adoption in personnel offices that hire many employees. Whenever possible, scores of temperament inventories should be interpreted by a competent psychologist after at least one interview with the candidate. With these precautions in mind, the adoption of temperament inventories in employee selection should result in a lowering in labor turnover and increased job satisfaction.

Speculation Is Current in Regard to Men and Women Who Will Return from Active Military Service. What Will Be Their Outlook? What Will They Desire or Demand? These Are Poignant Issues which Await Clarification.

# A Study of Values

BY RICHARD S. SCHULTZ

Industrial Relations Methods, Inc.  
New York, N. Y.

ON THE home front, and also very much in action, are recent technical graduates getting out victory production and managing American industry. During the last year there was an opportunity to appraise several hundred of these *deferred technical graduates* employed in a heavy industry. The group consisted of men with degrees in business administration and engineering, in chemistry, chemical engineering, mechanical engineering, civil engineering and electrical engineering. The men ranged in age from twenty to about twenty-seven. They were deferred because of "essential" qualifications for war production. Some had negligible industrial experience, but their technical training appeared valuable to war industry. The abilities and aptitudes of the group varied from mediocre to very superior. They represent a sampling of men from outstanding technical institutions and universities in the country.

## *A Guide to Job Placement*

VARIOUS procedures were used in appraising their suitability for employment and assignment in the industry. Among the methods applied was a standard questionnaire. This is a form designed to measure general attitude and appreciation of values in a variety of practical and "ideal" situations. It also is a guide toward more precise assignment of the individual to a position in keeping with interests, attitude and general desires.

The purpose of this report is to present some data which may aid in describing the current thinking, feeling and general attitudes of deferred technical graduates



on a typical set of situations as defined in this standard questionnaire. (A Study of Values. Copyright by G. W. Allport and P. E. Vernon, Harvard University.)

The situations (or issues) in the questionnaire are grouped to cover:

- |                |                     |
|----------------|---------------------|
| 1. War         | 5. Leisure          |
| 2. Charity     | 6. Education        |
| 3. Opportunity | 7. "Ideal Ambition" |
| 4. Government  | 8. Loyalty          |

The expression of attitude to each of the above situations is shown in the special table with the question stated as in the original. The sampling is based upon fifty men who graduated since Pearl Harbor.

The questionnaire procedure and the statistical results presented here illustrate a method which may be further explored for obtaining a better understanding of the thinking and attitude towards critical issues affecting future industrial policies during the transition and post-war period. Some of these technical graduates have the calibre and background for assuming industrial leadership. Industrial democracy in practice may very well be determined by the thinking, the feelings and attitudes of these leaders in the making.

A summary of the principal trend of results in the table follows:

Sixty per cent of the group seem to believe that abolition of war is an illusory ideal.

Some form of security and charity must pervade and that this does not tend to undermine individual initiative.

Emphasis seems to be on greater attention to developing higher standards of cooperation and ethics in industry and in education.

Loyalty seems to be first in the direction of society as a whole, and second towards one's business organization and associates.

### *Attitudes of 50 Deferred Technical Graduates*

#### 1. WAR

Because of the aggressive and self-assertive nature of man the abolition of war is an illusory ideal. 60% Yes; 40% No.

#### 2. CHARITY

Do you believe that contemporary charitable policies should be curtailed because they tend to undermine individual initiative? 40%—Yes; 60%—No.

#### 3. OPPORTUNITY

Since the class or social status to which a man belongs depends mainly upon his push and ability, it is just that a small proportion of the population should be very rich. 60%—Yes; 38%—No.

#### 4. GOVERNMENT

Do you think that a good government should aim chiefly at—

42%—introducing more ethical principles into its policies and diplomacy

28%—the development of manufacturing and trade

24%—establishing a position of prestige and respect among nations

6%—more aid for the poor, sick and old

5. LEISURE

In your opinion, can a man who works in business for his living all the week best spend Sunday—

- 46%—trying to win at golf, or racing
- 38%—hearing a really good sermon
- 14%—going to an orchestral concert
- 2%—trying to educate himself by reading serious books

6. EDUCATION

If you could influence the educational policies of the public schools of some city, would you undertake—

- 64%—to develop cooperativeness and the spirit of service
- 36%—to provide additional laboratory facilities
- 0%—to promote the study and the performance of drama
- 0%—to promote school savings banks for education in thrift

7. "IDEAL AMBITION"

If you had unlimited leisure and money, would you prefer to—

- 40%—enter into banking and high finance
- 28%—establish a mental hygiene clinic for taking care of the maladjusted and mentally deficient
- 24%—aim at a senatorship, or a seat in the Cabinet
- 8%—make a collection of fine sculptures or paintings

8. LOYALTY

Should one guide one's conduct to, or develop one's chief loyalties toward—

- 46%—society as a whole
- 28%—one's business organizations and associates
- 20%—one's religious faith
- 6%—ideals of beauty

# Book Reviews

*Book Review Editor*, MR. EVERETT VAN EVERY

California Personnel Management Association, Berkeley, Cal.

## UNION RIGHTS AND UNION DUTIES

By Joel Seidman. New York. Harcourt, Brace & Company. 1943. 238 pp.  
\$2.50

Union enthusiasts have frequently taken to writing books—they have a long list to their credit. But here we find a book that is different . . . a sane, practical approach to the economic and social status of organized labor that appears to be the least partisan of all. Few other labor writers have made so clear a case, with so little bias, as the author of this book.

Joel Seidman held the John Dewey Labor Research Fellowship and was a field examiner for the National Labor Relations Board before he joined the Army Air Force. He may be remembered for his two previous books, *The Yellow Dog Contract* and *The Needle Trades*.

The book is not a case for unionism. It is a study concerned solely with the responsibilities of trade unions to union members, to management and to the public. Seidman is concerned with the need for setting up a proper standard of conduct for unions in view of admitted abuses. Union failures and shortcomings receive a frank discussion as well as the related responsibilities of management and government officials.

The first chapter on the problem of union responsibility is an excellent picture of union growth and what they must face if they are to survive. The second chapter deals with the responsibilities to members and fearlessly discusses abuses that deny democratic rights. Needlessly high dues, excessive salaries for officials, racketeering, dishonesty in union affairs, and failure to account for funds—all are carefully analyzed.

Seidman contends that government regulation can be used to remove the worst union practices in the same manner that regulation has served to improve management conduct. Another chapter considers the relation between unions and the public and the conduct of government officials in labor disputes. Desirable changes in the law of labor relations are courageously proposed together with suggestions for changes which management and labor should make voluntarily.

It is apparent that unions may be expected to display traits not greatly different from those shown by individuals. Suppression, denied recognition and organized opposition may prompt an aggressive or even militant stand on the part of unions to enforce their wants and desires. Philosophically, and practical too, the author submits an apparent remedy of removing the undesirable traits by changing the treatment that tends to prompt such traits.

In this book Seidman gives us one of the best balanced studies of union labor published so far in this country. It is not an impassioned treatise on the virtues of organized labor, but quite frankly critical of current labor abuses and what needs to be done to correct these weaknesses. It is highly significant to have such an analysis of this controversial subject come out during a wartime crisis with so little bias.

Every personnel executive who would know his current labor relations should read this book. It should be required reading for management and labor alike.

---

### A SURVEY OF COMPANY MORALE

Employers, personnel officers, industrial relations managers, counselors to women employees, and others interested in how their workers feel about their jobs may find helpful a new series of questions entitled "A Survey of Company Morale."

Copies of the blank with a Manual of Instructions may be obtained from The Psychological Corporation, 522 Fifth Avenue, New York City for 25¢.



# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION  
Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 9*

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A New Company Set Up Early in the War to Make Prefabricated Housing Units for Our Pacific Forces Recognized from the Outset that In Order to Give Our Men Fast Supplies the Personnel Department Had to Give the Production Departments the Best Service of Supply.

# Personnel Department *in Action*

BY R. A. SUTERMEISTER

Pacific Huts, Inc.  
Seattle, Wash.

**W**E HAVE 16 people in our Personnel Department to serve an organization of approximately 700 employees. This is a ratio of 1 to 44 and is unusually high for the Pacific Northwest, although it is considered by personnel experts to be close to the ideal ratio. Because our company faces special problems (outlined below), the personnel staff is slightly larger than would be required for other organizations of the same size. Nevertheless we would probably be unable to do a first class personnel job with fewer than one personnel representative to 50 employees. The purpose of this paper is to describe a personnel department in action, covering the various functions performed by each member of the staff.

## *Special Problems for Our Firm*

**O**UR factory is set up for straight line production and is highly mechanized. This means that most of the jobs have been broken down into simple operations so that an individual with very little or no training can be productive from the outset. The absence of need for a training period permits us to tap a source of labor which most firms purposely avoid. It has been our policy to encourage men to come to our organization even if they could work here for only a week or a few weeks.

Thus we have given temporary employment to large groups of men waiting over in Seattle for boats to take them to Alaska; we have employed fishermen and cannery workers in their off seasons; we welcome boys who expect to be drafted within a few weeks and desire employment until that time; we are happy to put to

work men of the armed forces who have a week or two of furlough in which they wish to earn some extra money.

Because it is not at all unusual for us to have 100 temporary employees in our plant at any one time, and because the average length of stay of such employees is seven days, our turnover is abnormally high. Our record-keeping is thus abnormally burdensome for an organization of our size.

For all of our permanent men and for many of our temporary men, we must perform the following duties: take fingerprints and photographs, send out reference letters, and make out withholding tax forms, bond deduction forms, medical security applications, and other forms required by present-day laws. This unusually large amount of clerical work, resulting from high turnover, accounts for the presence of one or two people on our personnel staff who would not otherwise be needed.

### *Downtown Hut*

OUR plant is situated five miles from the central business district, in an out-of-the-way location. This placed a hardship on job applicants who wished to obtain information about our job openings. A man would have to come way out to our plant to obtain his information, return to the center of town to the United States Employment Service to clear his availability certificate, and then obtain his union clearance. It was evident early in our picture that many prospective workers were getting lost or discouraged in this complicated and time-consuming process. Consequently we set up half of one of our standard huts on a parking lot located at a conspicuous corner in downtown Seattle.

This downtown hut serves as our recruiting office, where two interviewers can assist prospective-employees in obtaining the information they wish, and in securing all necessary forms to go to work. We then provide a station wagon to transport the new employees from the downtown hut to the plant on their first day of work. This separate recruiting and interviewing office necessitates at least one more member on our personnel staff than we would ordinarily require.

### *Feeding Workers*

THE few restaurants within walking distance of our plant are small and extremely crowded at noon. It was out of the question for our employees to fight their way into these small restaurants, obtain and consume nourishing meals, and return to the plant, all in the short space of a half hour. Our men pride themselves upon working steadily and faithfully and we felt very strongly that they were entitled to a hot wholesome meal at noon, at a reasonable price, and with time to consume it leisurely. Consequently we have set up our own company-managed cafeteria which is capable of serving 240 employees in 10 minutes. This function of our personnel department accounts for the employment of one more member of the staff.

Workers producing a mighty bomber or a speedy fighter plane may not need to

be constantly reminded of the importance of their work. However, our workers, who spend 48 hours a week building such a relatively unromantic object as a hut, need frequent reminders and proof that their work is important and appreciated by the armed services. This was one of the reasons for our starting a plant newspaper—in order to show frequent pictures of our huts in use in Alaska and in the Aleutians, as hospitals, mess halls, and living quarters.

### *Company Magazine*

PICTURES of our huts installed in the bleak Aleutians are an effective wordless reminder that the work our men are doing is vitally connected with the war, and that they are helping to protect the lives of our soldiers in the North Pacific area. But there are many other reasons for having a plant newspaper. Every issue gives recognition to workers who have done an outstanding job, and contains many names and pictures of men in the plant. Our principal test of a good item for the newspaper is whether or not it will interest the average man working on an assembly line out in the plant. The publication of this newspaper necessitates at least one additional person on the personnel staff, and also utilizes part of the time of a photographer, an artist, and a reporter.

Organizations of our size, which are not faced with our problems of temporary employees, remote location, absence of suitable eating places, and the necessity for constantly bringing home to the worker the connection between his job and the war—organizations without these problems would probably be able to perform a reasonably good personnel job with four or five fewer people on their personnel staffs.

### *General Responsibilities of Personnel Department*

BEFORE proceeding to a consideration of the functions of each member of our department, it might be well to outline the general responsibilities of the Personnel Department in this firm.

In conjunction with our President, we formulate policies relative to union relations, public relations, internal organization, wage and salary classifications, and sources for obtaining employees. Once these policies have been determined, it is the duty of the Personnel Department to carry them out.

Some of our occasional duties are therefore the construction and revision of organization charts, analysis of jobs, setting up of job and salary classifications, the submission of proposed rate changes to proper governmental agencies, and related tasks. We determine daily the manpower requirements of the various production and service departments. We interview all job applicants and determine which ones to employ. We are charged with the responsibility of introducing the worker to his job and of maintaining records and reports of many varied types. We are responsible for safety and first aid activities.

One division of our department is the Employees' Service Division, which pub-



lishes our newspaper and performs a wide range of miscellaneous services to employees, which they could not reasonably be expected to perform before or after hours of work. Other duties of the Personnel Department are the followup of all workers, and the handling of the transfers, rate changes, leaves-of-absence, and terminations.

### *Personnel Director*

THE first part of the morning is one of the busiest parts of the day for the personnel office because the new employees from the downtown hut are brought out to the plant around 7:45 a.m. They must be interviewed and assigned to the department to which they are best fitted. Their various forms must be completed and they must be taken on a tour of the plant, preliminary to placement on the job.

In addition to the new men, a number of regular employees come in the personnel office between 7:30 and 8:00 to ask questions, obtain temporary badges (to replace ones which they have left home) or to obtain time cards (if they were not at work the previous day).

The Personnel Director supervises all these activities, keeping foremost in mind that the present employees should not be delayed in the personnel office beyond starting time, and that new employees should be placed on the job with a minimum of delay. All members of the Personnel Department bend their efforts to this end of rapid placement on the job, by pitching in and filling out forms, taking pictures, taking new men out in groups of four or five to their foremen, or performing any other duties to speed up the placement process.

After all new employees have been placed, the Personnel Director usually devotes some time to a discussion with others in the department of their current problems. He notes the absences for the day, receives reports on total employment, and confers with the plant superintendent, with the various foremen, and with the President. In the course of the morning there are numerous phone calls and employment interviews; mail must be disposed of; various reports prepared by the Clerical Supervisor are studied; and visitors are sometimes escorted through the plant.

### *Visits Cafeteria*

FROM 9:45 to 10:00 a.m. the entire plant is down for a rest period, most of the employees spending this time in the cafeteria where they can smoke and purchase snacks and hot or cold drinks. The Personnel Director makes it a point to spend this period in the cafeteria, talking informally with the men.

Every day questions of transfers arise which must be handled to the satisfaction of the employee and both foremen concerned. Occasionally a misunderstanding over pay or some other matter must be ironed out. There are outside contacts to be made, with the advertising agency, and in the field of public relations.

Three lunch periods for the men extend from 11:00 a.m. to 12:50 p.m., and the Personnel Director usually spends at least one of these periods in the lunch room to see that everything operates smoothly, that the men are being served promptly and courteously, that the food is hot and nourishing; and to make himself available for informal questions.

At least twice a week he lines up with the men, carries his tray through the cafeteria line, and eats with a group of workers. Daily he makes a leisurely tour through all departments of the plant, lasting perhaps one and a half hours. The purpose of this is to familiarize himself with all the workers and let the workers know him by seeing him frequently and speaking informally with him at their jobs. Sometimes there are new government regulations to study over, or literature on personnel to examine. Bulletins to all employees must be formulated and approval secured from all officials concerned.

### *Questions of Workers*

PERHAPS there is a new foreman who must have his duties and bounds of authority carefully explained to him, and who must be assured of the support and co-operation of the Personnel Department. There are occasional contacts with the union business agent, and talks before local clubs or personnel organizations.

The afternoon rest period comes from 2:15 to 2:30 and provides an additional opportunity to answer questions of the workers. Instructions to members of the Personnel Department are put in written form because it is impractical to have frequent meetings of the entire department. Dictation is completed in the afternoon. A safety inspection of the plant is made monthly and a safety report written up for the President and the Superintendent.

At quitting time, 4:30 p.m., the members of the Department always make themselves available again for questions by the employees, and the Personnel Director frequently stands by the time clocks "kidding" with the men as they go out, or helping them with their particular problems. By the time his desk is cleared and he is ready to leave for the day it is usually around 6:00 p.m., and he has most likely spent over half his day outside of his own office. Two or three times a week he remains at the plant until 8:00 or 9:00 p.m. or returns to the plant to check up on the swing shift workers, and on the evening lunch period in the cafeteria.

### *Assistant Personnel Director*

OUR Assistant Personnel Director is Mr. Richard F. Gorman, formerly Personnel Director for the National Youth Administration in Seattle.

He assists at the personnel counter the first thing in the morning, helping to get old and new employees on the job promptly. He has supervision over the Employees' Service Division and its three girls. He is frequently given special jobs by the President, and by the Personnel Director.

The Assistant Personnel Director is responsible for half a dozen departments in the plant with their 250 employees. He is charged with the duty of making daily contacts with these employees, of rating them in conjunction with their foremen once every two months, and with reviewing their service records once every two months. It is also his job to be available in the cafeteria during rest periods, and during at least one of the three lunch periods. He makes a daily circuit through the departments for which he is responsible, so that all workers in those departments will get to know him and he will get to know them individually.

The Assistant Personnel Director is also the editor of our bi-weekly newspaper, called "Hut Stuff." He supervises the securing of pictures, the write-up of stories, the layout of the paper, and its printing, lithographing, and distribution. He is in charge of the sports program (including baseball, basket ball, bowling, and horse-shoes), making the necessary arrangements to form the teams, and keeping the records of these activities.

He is also responsible for the handling of requests for draft deferments. This with us is not a burdensome job because, with our high degree of mechanization and consequent use mostly of unskilled workers, it has been our policy not to request deferments except for key men and supervisors.

The Assistant Personnel Director is responsible for the arrangements and the records connected with training courses such as Training-Within-Industry's Job Instructor Training, and Job Methods Training. He is unofficial secretary of the Foreman's Club, making all necessary arrangements for their meetings and assisting with their programs. He performs a similar function for the Dads and Vets Club of Pacific Huts, arranging for their meeting place, meals, and program, and assisting in the meetings to see that everything is handled properly. (The Dads and Vets Club is composed of veterans of either war, and of parents or wives of men and women in the present conflict.)

### *Commissary Manager*

OUR Commissary Manager is Mr. Howard K. Stewart, who operated his own interior decorating business until the pinch of priorities prevented continuation.

After assisting in the morning with employment records and introduction to job of new employees, the Commissary Manager makes a check of conditions in the men's large cafeteria and in the small restaurant for office workers and visitors. He has general supervision over the personnel in these lunch rooms and over the ordering and receiving of the food. It is also his duty to estimate the number of people expected to eat in the lunch rooms each day. In conjunction with the chef and with the cafeteria hostess, he must plan ahead, ordering food in ample time for delivery when needed, and checking constantly on ration points, cash receipts, and many other phases of lunch room operation. Other responsibilities of the Commissary



Manager are the supervision of candy sales in the canteen on all rest periods, and the interviewing of prospective employees for the cafeteria.

After he has made a careful check of the lunch rooms, the Commissary Manager returns to the personnel office to open all reference letters, check them carefully, grade them, and inform the workers' foremen of any unusual qualifications or of any characteristics about which the foremen should know.

During the noon hour, from 11:00 to 1:00, he spends almost all his time in the cafeteria, making sure that everything functions smoothly.

In the afternoon the Commissary Manager makes it a point to go leisurely through all of the half dozen departments assigned to him and to familiarize himself with the 200 or 250 men in those departments. He is responsible for contacting them daily, for rating all the employees in those departments every two months in conjunction with the foremen, and for reviewing their service records every two months.

There are many special dinners for the regular workers, for overtime workers, for office people, for the Foremen's Club, and for the Dads and Vets Club. These must all be arranged and supervised by the Commissary Manager.

### *Downtown Recruiting Office*

**M**R. U. D. CARNES, formerly connected with a large petroleum company, and more recently a recruiting agent in the middle west for a large west coast construction company, is in charge of our downtown recruiting office. He is assisted by Mrs. Edna Lauerman whose background has been in selling and other work involving public contacts. Theirs is the responsibility for interviewing all job applicants, weeding out the undesirable ones, and hiring perhaps one out of five or ten. They have a large number of pictures of our operations to show the prospective employees, and they have the time to explain leisurely the nature of our various jobs.

If the prospective employees desire to work for Pacific Huts, our interviewers in the downtown office ask for their authorized referrals (their releases from previous employers) and fill out preliminary interviews. If the applicants are satisfactory and if time permits, these interviewers take fingerprints, fill out complete record cards, and send out reference letters to former employers and to personal references. At 7:15 or 7:30 in the morning the interviewers must be on hand to check new employees and to send them down to the plant in our station wagon which calls twice daily at the hut.

Approximately every week each of the interviewers in our downtown office makes a trip to the plant to observe any changes which have taken place, to confer with foremen as to types of employees they desire, and to check up to see how men whom they have hired are working out on the job.

### *Identification Supervisor and Assistant*

**S**TARTING with the other members of the Department at 7:30 a.m., the Identification Supervisor and his assistant help out with interviewing, records, and intro-



duction to job. It is their particular responsibility to take and record photographs of all new employees and to make sure that every man is fingerprinted. After the morning rush is over, they complete the information on the fingerprint cards and later send them in to the Government for checking. After the pictures have been developed and printed they must be pasted on the employee's personnel record and also on a permanent identification card, made up for each employee.

It is the further duty of the Identification Supervisor to have all employees in executive positions fill out a Personnel Security Questionnaire for the Ninth Service Command.

The Identification Supervisor is responsible for contact work in half a dozen departments containing about 200 employees. He goes through these departments daily, rates the workers every two months, and reviews their service records every two months.

### *Checks on Absenteeism*

WITH the assistance of the girls in the office, he takes messages over the phone from absentees, reports them in writing to the foremen concerned, and records them on the employee's master time card, so that we have a complete record of every worker's excused and unexcused absences. The Identification Supervisor terminates the employment of men absent without notice unless he feels there may be extenuating circumstances, such as inaccessibility of telephone. For all employees whose services have been terminated, the Identification Supervisor obtains a recommendation from the foreman relative to future rehire. He makes investigations of (1) men absent without notice to determine whether or not their employment should be terminated; (2) men who are chronically absent, either with or without reporting, to determine whether their employment should be terminated; (3) excused absences for men who have been off for a lengthy period; (4) the leaves-of-absence for men who have overstayed their leaves.

Most of the clerical work connected with the functions of the Identification Supervisor is accomplished by the girl who assists him. She also runs many errands for the Department, carrying phone messages to employees, notices of absences to foremen, general bulletins to foremen (before distribution to employees) and similar notices. Other parts of her day are spent in filing, posting, operating duplicating machine, and duties of general nature.

### *Personnel Office Supervisor*

OUR Personnel Office Supervisor is Mrs. Carr Whipple, a Seattle housewife, who, because of a desire to become active in war work, took a 12 weeks' "refresher" course in business at the University of Washington. It is her job to supervise all the girls in the Personnel Office in their clerical duties, completion of forms and records, filing, posting of various information on employees' permanent records, answering phones, answering questions of employees and prospective employees at the counter,

and all other general functions performed by the Personnel Department. She is responsible for the accuracy and completeness of all personnel records; for keeping records of all badges and those available for re-issue to new employees; for compiling periodic reports on foreign born employees, on minors, on labor turnover, on employees of special abilities and talents, and on employees who are rated above average.

One of her other functions is to see that new employees in the office receive a proper introduction to their jobs. This is accomplished by introducing them to everyone in the office, giving them a map of the office showing all desks and names of the people they have met, explaining the various rules to them, and taking them on a tour of inspection through the plant. No effort will be made to mention the thousand occasional jobs performed by the Personnel Office Supervisor.

### *Personnel Office Stenographers*

MISS SHIRLEY TEWELL was formerly on the staff of the employment office of the University of Washington. She spends her day in general typing, sending out reference letters, interviewing and answering questions at the counter, explaining union requirements to the workers, filling out forms on new employees, filing, posting, answering phones, and performing special tasks assigned by the Personnel Director.

Miss Arlene Wagner, a student at the University of Washington, finishes her classes in the late morning, and works in the Personnel Department from noon until 8:30 p.m. This is convenient because it enables us to receive telephone calls after quitting time; to complete posting and filing which those on the day shift do not have time to finish; to check all supplies for the following morning; and to provide some contact with the swing shift in order to know what their problems are and to answer their questions.

When the high percentage of temporary employees and the numerous forms and records which must be kept for each man are recalled, one can understand why so much clerical help is necessary in our department. For each employee we have a single information card containing his complete history and service record. Onto that card goes every item of information which we accumulate relative to that employee. The posting task involved is a large one. We post on the employee information card data concerning his hire, transfer, rate change or leave of absence; the grades on his three reference letters; his bi-monthly rating; special notices given him by his foreman (of which the personnel office and the plant Superintendent receive a copy); his attendance record by months; his termination of employment; and his foreman's recommendations about future employment.

### *Employees' Service Office*

MRS. LUCILLE SMITH, who is the Supervisor in the Employees' Service Office, formerly managed a rental information bureau for a Seattle newspaper. Her as-

sistant, Miss Mary Hines, migrated from the middle west to Seattle with her family a year ago. Both she and her father obtained jobs with us, the latter working now in our Loading Department. It is the responsibility of these girls to provide various services for our employees, which, if unprovided, would result in loss of time from the job. Our plant operates eight hours a day six days a week, and under the restrictions and pressure of wartime living it is difficult for the average employee to transact all his personal business away from work. It is our feeling that we should assist workers as much as possible in these matters if we expect them to be at work every day.

One of the services provided by this division is that of obtaining gas rations for employees who carry passengers to and from work. We are fortunate in having ration files for all our employees centered in a nearby "plant area board," which serves our plant and several other plants in this vicinity. By spending two or three afternoons a week at the plant area board, Mrs. Smith is able to give our employees one or two day service in obtaining their gas rations or having them renewed.

The Employees' Service Division has an active ride-sharing file so that it can give immediate assistance to new employees in obtaining rides or riders. This office also assists employees in obtaining housing accommodations. It provides banking by mail, and King County Medical Service; it receives and sends work-clothes to the laundry, sells money orders, obtains auto licenses and automobile use-tax stamps; it sells scrap wood to workers; and recently it has provided voting registration facilities at the plant. The Employees' Service Division has a representative at a special counter in the cafeteria during the lunch period, and, at especially busy times, during the rest periods.

### *Hut Stuff Reporter*

REPORTER for our newspaper "Hut Stuff" is Mrs. Jane Stuart, a navy wife working in Seattle while her husband is away. She devotes her time to gathering news, verifying it, writing it up for "Hut Stuff," typing it with proper spacing for lithographing, assisting with the layouts, and distributing the completed paper to employees. Besides these duties she serves as a general assistant in the Employees' Service Division and to the Assistant Personnel Director, handling typing and correspondence.

### *Nurses*

WE HAVE registered nurses on duty from 7:30 in the morning until 8:30 p.m. which marks the end of the lunch period for the swing shift. Their job, of course, is to care for minor injuries which might otherwise cause a loss of time, to fill out accident reports from the injured employee and from his foreman, to take accident prevention measures, to submit complete reports of each accident to the state, to compile a monthly summary of all accidents, and to prevent illness as much as possible through use of vitamin pills, cold tablets, and through prophylactic measures.



*General Comments*

WE FEEL that a new employee wants to waste as little time as possible getting to work. This attitude stimulates a willingness of all supervisors and clerks alike in our department to pitch in and help fill out forms if that will speed the man's placement on the job.

We feel that the average employee wants to be able to communicate easily and freely with management. Intimate contacts with employees and opportunity for expression from the bottom of the organization to the top is the basic philosophy on which our Personnel Department is operating. This intimate contact is achieved by having three contact men with definite departments under their jurisdiction. We have discarded the idea of one full-time contact man trying to familiarize himself with 700 employees. At present our Assistant Personnel Director, our Commissary Manager, and our Identification Supervisor are all part-time contact men, each responsible for certain departments and a certain number of men.

The scheme of dividing this work among three people seems to be very satisfactory for three reasons: (1) it divides the burden which formerly one man had of remembering 700 names and histories, (2) it introduces more variety into the jobs of the contact men, and (3) it enables us to train and develop men with the "personnel point of view."

*Contact Man*

THESE contact men are advisers upon all action taken concerning these employees. Through their daily contacts with the men they get to know them as individuals and get to know something about their families and background. A considerable amount of contact work is done by the Personnel Director himself on a free-lance basis. In this way he tries to keep himself informed about the workers' thoughts, and to judge how well our department is keeping in touch with the men.

Without any question the Personnel Department should know what the employees are thinking. Personnel representatives should be able to settle little misunderstandings about pay or transfers, personal troubles, and foreman dislikes, before they reach the serious stage.

We feel that we have failed in our contact work if these grievances come to light for the first time in the exit interview, when the worker has become angry and has already decided to sever his relationship. The Personnel representative should build confidence and eliminate fear among the workers, and overcome their reluctance to ask questions. The Personnel Department represents the employees to management and interprets management's policies to the men, telling them the reasons why such policies have been adopted.

*Not Lost in the Shuffle*

THE Personnel Department tries to see that all employees obtain fair and equal treatment. It tries to see that no worker gets "lost in the shuffle." (This



is the reason for the bi-monthly review of all service records.) However, if somehow some worker may not have been treated fairly or may have been overlooked, the close personal contact between Personnel Department and employees offers us a second chance to rectify the situation.

Our policy of close intimate contact with the workers serves us like a seeing-eye dog serves a blind man, enabling us to avoid pitfalls and prevent misunderstandings, rather than to try to correct them after they have crystallized in the workers' minds. To have a so-called Personnel Department which does not conscientiously maintain close informal contact with the workers is really to have a mere employment office, charged with the hiring and firing of men.

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### HAVE YOU SPARE PERSONNEL JOURNALS?

Some issues of the Personnel Journal (as listed below) are required for use by war industries, but are out of print.

If you have copies of these issues, which you are not using, will you kindly return them to us, so that we may send them out to the companies requiring them. We will pay full price for them.

Vol. 21, Nos. 1 and 2. May, June, 1942.

Vol. 20, Nos. 7, 9 and 10. Jan., March and April, 1941.

Vol. 16, No. 3. Sept., 1937.

Vol. 14, Nos. 1 and 2. May, June, 1934.

*Personnel Research Federation,*  
60 East 42nd St.,  
New York, 17, New York.

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Fifteen Years Ago the Western Electric Company Began the Only Major Research in Industrial Relations That Has Been Made in America or Anywhere in the World. It Is Still Continuing. It Has Led to the Widespread Use of Personnel Counseling. The Basic Findings Come Up Again.

# Management Causes Absenteeism

BY JOHN B. FOX AND JEROME F. SCOTT

School of Business Administration  
Harvard University  
Boston, Mass.

**E**ARLY *this year, the War Production Board asked the Harvard Business School to make a study of absenteeism. The result was a case study of this problem in three metal-working companies, carried out by John B. Fox and Jerome F. Scott of the Research Staff under the Supervision of Professor Elton Mayo. Their report, entitled "Absenteeism: Management's Problem," is now available as Business Research Studies No. 29, published by the Harvard Bureau of Business Research. Following is a digest of their findings:*

This report offers a fresh approach to the much abused problem of absenteeism. It is the story of a research project in a field where case study, by the exploratory, factual approach, amounted virtually to pioneering. It is not surprising, therefore, that the research took an entirely unexpected turn. ("It went there of its own accord," writes Professor Mayo in the foreword.)

## *External Causes Assumed*

**T**HE study began with a statistical measurement of absenteeism in three metal-working companies. In the community where they were located, the investigators found an attitude toward the problem which is not uncommon elsewhere: that its causes were *external* to a given company and beyond the company's immediate control. It was generally assumed, therefore, that little, if anything, could be done about it.

As the study proceeded, it developed that one of these companies *had* done something about the problem of absenteeism. The figures and charts showed that in two of the three casting shops examined, absenteeism was steadily worsening

during the period under study; while in the third it was kept substantially under control. And yet all three companies were equally affected by the familiar outside causes of absenteeism (housing and transportation difficulties, fatiguing wartime hours, wages high enough to facilitate merrymaking and days off without pay, the unavoidable hiring of marginal workers who have neither liking nor discipline for factory work, and so on).

### *Internal Means Possible*

Clearly this third company, by some *internal* means, presumably by management techniques, was adjusting itself and its workers to these outside disturbances, while the other two companies were unable to do so. The study was turned in this direction, and it developed that such, indeed, was the case. The experience of the third company indicated that management could be a major determining factor in the absentee problem.

In this brief digest, it is not necessary to recount the specific management techniques which had been worked out by the third company. They are described in the report. It is enough to say that the third company was found to have a system of training its foremen as personnel experts, responsible for the absorption and training of new workers, for studying their technical and human problems and helping in every way to solve them, and for encouraging easy communication between the workers and top management. This was a very concrete, systematic handling of human relationships, making for general goodwill toward the management. The company was also notably alert and flexible in adapting itself technically to new situations. For instance:

The method of pay is a good example of this. In the first two companies, a worker is paid by the amount of metal he himself actually pours. So if his furnace is emptied toward the end of his shift, there is no incentive for him to recharge it for the next shift. The third company, however, provides this incentive. Workers are paid by the total amount of metal poured by all three shifts combined, so it is to their advantage to recharge the furnaces for the next shift. This device, along with others of similar character, made for a spontaneous discipline imposed by the group on the individual worker.

Another example: The third company was the only one of the three having an orderly system of predictable days off, on which the men could count. But the success of the system depended on the whole shop keeping up to schedule; so here again, the group spirit tended to keep the individual workers up to standard.

### *Outside Effects Neutralized*

THIS superior management record resulted in this company's markedly superior absentee record, as compared with the other two companies. The reason why—

so the report suggests—is this: absenteeism is a symptom of a worker's attitude; and his attitude is conditioned in very large measure by the quality of attention that management pays to his problems, both technical and human. In this case of the third company, the negative effect of the outside forces making for absenteeism was offset to a great extent by the positive effect of the management's efforts to counteract it.

Pressing this point still further, the management factor was found by the investigators to be so considerable that they ended by defining confused or inadequate management as an actual *cause* of absenteeism, in and of itself. It was observed that where management did not anticipate and plan for the shock of outside changes and problems, confusion became worse confounded. The impact of external chaos on the factory was simply transmitted to the workers. Or, where outside confusion directly touched the workers, it was allowed to ferment unchecked. Inadequacy on the management level therefore appeared as a tangible contributing factor to the "irritating uncertainty" in a worker's state of mind, which consciously or unconsciously caused him to decide on a given day not to cope with the difficulties of getting to work and sticking on the job.

### *Only Few Workers Absent*

A NUMBER of other conclusions from this study may be surveyed briefly: A widespread popular misconception in the area under study—to the effect that absenteeism affects the large mass of workers—was strikingly disproved. The investigators found many groups in the community holding the belief that labor as a whole was letting down the bars and damaging the war effort. They usually resented this with a good deal of heat. But when facts and figures were compiled, this picture was changed. For every worker with clearly abnormal absence in the shops under study, there were on the average eight or nine workers whose records were reasonably normal. Indeed, the consistency with which this pattern was duplicated (a) in the various shops within each company, (b) for different types of workers, (c) at different periods, and (d) in all the companies studied, was one of the most remarkable aspects of the study. It is illustrated by the charts accompanying the report.

The investigators found the widespread misunderstanding of these facts in the community to be a dangerous matter. At a time when absentees were stigmatized as unpatriotic, when government, industry, and society were considering penalties without discrimination between groups and individuals, there was serious risk of alienating the large group of conscientious workers.

### *How to Get Accurate Knowledge*

A NEW statistical approach to the absentee problem was developed in the course of the study. It went far toward neutralizing the influence of medical absence on the figures, and isolating chronic, excessive absence for study. This method is



one of the outstanding contributions of this project, making it possible to separate out the facts which led the research to its unexpected conclusion. In brief, the procedure is this: an absence of several consecutive days is regarded as just one absence, for purposes of compiling the record, no matter how many days the worker was out. (Obviously, equal weight should not be given in the figures to one worker who was out once during the year for 22 days, due to an appendicitis operation, and to another who was absent 22 separate times during the year, one day at a time.) An account of how this statistical method was developed and checked is given in the report. The procedure doubtless could be adapted to other enterprises or industries wishing accurate knowledge of their absentee problems.

A possible method of forecasting the trend of absenteeism in a given department or company was suggested. Absence figures for the "better attenders"—those who were the most responsible workers and leaders, having an average of five absences a year or less—were separated from the records of other workers. It was found that a lessening of interest and an increase of absence among the "better attenders" prefigured more absenteeism to come among the workers at large.

To the extent that this community was representative of others, this report suggests a general lack of concrete information on the absentee problem, and a widespread need for further research along these exploratory and factual lines—especially through case studies of comparable companies.

### *Wilfulness and Innocence*

IN CONCLUSION, a reading of the report makes it clear that the authors took scrupulous care not to exceed the boundaries of the restricted and intensive case study to which they had addressed themselves. They make no claim that the conditions uncovered in these three metal companies and their community are duplicated elsewhere. But the executive who reads their findings can scarcely fail to have salient questions opened up. Is the management factor being given the attention it deserves in his field? In any curative treatment, is careful distinction being made between wilful, irresponsible absenteeism, and those workers who are innocent of it? Is it known which are which? Should factual studies be made? Can the statistical method presented in this report be utilized? Is management throwing up its hands at the absentee problem, thinking the causes to be outside its control? Is it within the control of management to counteract these causes more effectively than it now suspects? It is the larger purpose of the report to raise these questions.

*This digest is based on the report "Absenteeism: Management's Problem" written by John B. Fox and Jerome F. Scott and published as Business Research Studies No. 29 by the Harvard Bureau of Business Research. It can be secured from the Bureau at a price of \$1. (Harvard Bureau of Business Research, Soldiers Field, Boston 63, Massachusetts.)*

Most Labor Turnover is Caused by Workers Quitting Within the First Six Months. A Definite Schedule is Laid Out by Which This May be Minimized—Without the Use of Jack and Heinz Handouts.

# Talking It Over

BY C. L. SILVERS

Jewel Tea Co.  
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THE history of employe relations goes back a long way. The first inkling that there might some day be a need for an employe relations manager is brought out in the third chapter of Genesis, where we are told of Adam and Eve and the forbidden fruit. You remember that the Lord, sensing that all was not well, asked Adam if he had eaten of the forbidden fruit. Adam admitted that he had, but big, brave, and chivalrous that he was, immediately blamed it on to Eve.

## *Eve Was a Good Scout*

NOW had Eve been like the women of today, she would have denied it and there would have been a big argument, and with no industrial relations man there to settle the question, we do not know what might have happened. But Eve was a good scout and took the blame, and avoided what might have been the first sit-down, or walk-out, or slow-down, or whatever they might have done in those days.

So we read on and come to the first need of an employe relations man, in the eleventh chapter of Genesis, where the descendants of Noah, journeying eastward, all of one language, began to think pretty well of themselves and decided to build a tower, one that would reach up to heaven. The Lord, seeing that these people were looking to themselves for power and not to Him, decided they needed a lesson in humility and confounded their language so that they could not understand each other. Now whenever you have groups of people together who do not speak the same language, you are going to have trouble. Then you have to do one of two things—get an employe relations manager to agree with everyone and get them all

talking the same language and again working in harmony, or disperse the crowd. Well, these descendants of Noah had no personnel men in their group, so they dispersed as the Bible says "From thence did the Lord scatter them upon the face of all the earth."

### *The Small Shop*

WELL, a lot of things have happened to employe relations since that time. We went from the time of B.C. to A.D. into the age when men were skilled craftsmen. The shop owner with his master mechanics and apprentices, helping him in his home or his small shop, all doing about the same thing, talking the same language, found little occasion for misunderstanding.

With the mechanization of industry, the formation of corporations, and absentee ownership, this close relationship between owner and worker was lost, and with it the understanding of each other's problems. Where three or four formerly worked together, now hundreds and thousands are thrown together and with the needed contact between those managing and those managed lessening in direct proportion to the increase in number of workers. The foreman became in the workers' eyes the symbol of management. The foreman, while knowing the work well, in too many cases understood his men not at all, and it was not long until there was deep seated misunderstanding. The typical foreman was much like the one who, when asked how he greeted a new man said, "I say nothing, look him straight in the eye for a minute and then spit." That is not the kind of action that builds good employe-employer relations.

### *Personnel Methods Develop*

THIS era of management was interrupted by the first World War. It was on this occasion that aptitude tests were introduced. We knew that all men did not have the same aptitudes, that some by natural abilities were salesmen, some mechanics, some accountants, some professional in nature, and that still others had the qualities found in those who manage. We tried to develop objective methods of determining these aptitudes. The army used the tests to help in the placement of the men in service. After the war, business used them as pre-employment tests and as aids at the time of promotion.

There followed the development and adoption of rating scales, job evaluation, salary standardization, personnel records and many other devices designed to help management do a better job of handling employes. It was at about this time that management began to appreciate the psychiatrist.

### *Unions Increase*

THEN came the unions, some good, some bad. Because management was selfish and asleep, because it would not see the worker's side of the picture, because



the workers needed leadership and the unions provided it, because the unions were fundamentally more good than bad—they made slow but steady progress.

Then because it realized that, after all, the worker is not a commodity to be bought at the lowest price and to be discarded as soon as it declines from its maximum usefulness, management learned that after all employes are humans like themselves, that they do have some vested rights, and that they respond well to kindness and consideration.

### *How Should Appreciation Be Wrapped?*

SO WE find management trying to find out what the workers want instead of telling them what they are going to get—trying to find out what it can do for them to make them happy. Do they want parties, rest rooms, group life insurance, social organizations, company representatives to visit their homes, birthday cards and Christmas presents, or do they wish to do away with this so-called paternalism and have their company wrap up all of its appreciation for their services in the pay envelope? So there sprung into existence the attitude inventory—the poll of employes to learn their likes and dislikes—giving them the opportunity to make suggestions, and to complain without making known their identity.

### *All Free*

THEN comes World War II and wage stabilization, and in the midst of all this talk of controlling wages there is an explosion like a bomb shell. The president of a firm in Ohio pays his secretary \$39,356 a year. We learn of Jack and Heinz, where some workers share handsomely in profits, all have free access to the turkish baths, drink free coffee whenever they are thirsty, smoke when and where they will, get free medical care, free health and accident insurance, free food and vitamin pills, free vacations in the company paradise in Florida, and work harder and perhaps more efficiently than those in any other factory in the country. Jack and Heinz happens to be the firm we have heard most about, but there are others doing somewhat the same things, and with considerable success. Many companies, particularly the war plants, are doing things for their employes now that they would not even have thought of doing a few years back.

We ask ourselves, is this the new philosophy? Must the rest of us follow this example? Is it sound employe relations practice? Will it work or can it be continued in times of peace—in times of depression? If that is what is needed to maintain a mutual understanding between employer and employe, must we provide it? Even if we, as personnel men, agree that the Jack and Heinz philosophy is sound, can we sell our management on doing it? Can our company afford to do these things even if the management is willing? If we lag behind, what will happen to us? Will our employes be unhappy and disgruntled?



*Doubts*

IF THE pay envelope, or the physical equipment and surroundings, the unusual benefits and privileges were all that employes wish, we might have reason to be disturbed. Personally, I don't think that these are the things they want most. I think employes want first to understand and to be understood, and people understand and know that they are understood when we talk things over with them. Therefore, I think the most valuable tool in the entire field of employer-employee relations is already in our possession—the practice of talking things over.

And now I would like to give you what I consider a workable and effectual plan of talking things over—of making it possible for the employes to understand and to be understood.

Our first opportunities to do this come at the time of the interview and the induction procedure. It is the aim of all of us, I think to make the applicant and the new employe feel at home, feel that we are really glad that he has come with us—to make him feel that it is understood. I think all of us do that, so in laying out this program, let us assume that those meetings have taken place and that our new man is on the payroll.

*Third Day*

LET us consider our first follow-up. I think statistics show that the highest turnover of employes comes during the first six months of employment. That fact alone is enough to tell us that we must keep close to our new people during those critical days. Therefore, there should be some follow-up a few days after the new man gets on the job.

I think that follow-up should be made by the employe relations manager on the third day. It should be informal, and give the impression that he (the employe relations manager) happened to be passing and is just stopping to ask how the new fellow likes it. If some arrangement has been made regarding housing or transportation, he might be asked if they are working out. Just a few words to show him he has not been forgotten—that he is still understood.

*End of First Week*

NO DOUBT the supervisor will have talked some to our new man the first week. Whether he has or has not, he should call him over to his desk for a few minutes' chat on the last day of the week. This day is somewhat of an anniversary day for him. He has completed his first week with his new company and it is a natural time for his supervisor to have a short, friendly talk with him. It is doubtful that the new man has progressed far enough in his work for anyone to get much of a line on him. Certainly if he isn't doing quite as well as we think he should, we don't want to criticize him severely—and if he is doing better than should be

expected, we don't want to praise him too highly. Not that the praise will spoil him but more because he has not been there long enough to get a good slant on him and the good work may not continue.

If there are some minor things that he can easily correct, the supervisor should mention these things to him. If he has been late several mornings, for example, he should be told kindly but firmly that that cannot continue. If continued haste is resulting in mistakes, it might be well to caution him about that. Of course the supervisor will again ask him if he has any questions and give him the opportunity to express himself. In general the chat will again be in the nature of talking things over. You can imagine what a difference this additional act of kindness and indication of interest will make to him as he has time to reflect about his new job over the week-end. And you can be pretty sure that about everyone he talks to during that time about his new company is going to hear something good about it.

### *End of Second Week*

REMEMBERING that the need of keeping close to a new man is in direct proportion to his newness on the job, it would be well for the employee relations manager to follow up at the end of the second week. Our new man has been here two weeks now. He has learned considerable about his job and may be pretty much on his own. It is possible that things are not going so well. Maybe he doesn't quite understand some of the work. Maybe if he is a suspicious individual he is beginning to imagine someone does not like him. Or, perhaps he has had a hard time learning the job—everything seemed mixed up, he thought he would never learn the work. Maybe he surmised at times that his supervisor thought so, too. But the last few days things have been better. They are beginning to click. He wonders if his supervisor recognizes the improvement. Gosh, if he could just tell someone. Well, here is his opportunity. He can tell you and perhaps you will mention it to his supervisor.

Or, maybe there has been nothing unusual take place. Things seem to be going all right as far as he can see, but he does not know whether his supervisor feels that way about it. During your talk with him you are encouraging. You don't say much about his work, but he reads through the lines that things are probably going O.K. and he is happy about it. This talk gives him the chance to raise questions on any matter about which he is in doubt or if there are no questions, to get a sense of assurance that things are all right. He has another good week-end, largely because he had a chance to talk things over—better to understand and better to be understood.

### *End of Fourth Week*

COMES now the close of the fourth week of employment. By this time, the supervisor has had plenty of opportunity to size him up, to know his weak points

and his strong points, to see how he reacts to correction, how quickly he grasps things mentally, how well he retains them. This is the time for the first good heart-to-heart talk with him. The supervisor is sure enough about his good points to commend him and sure enough about his weaknesses to bear down on him.

Here there is need of kindness but also firmness. There should be no question in his mind after this talk about what is expected of him. Whether he enjoys this week-end will depend on what you had to say to him. If you had little to criticize and much to commend, he will be happy. If the reverse was true, he may be unhappy but he will know where he stands and while he may not relish what you tell him, he will at least respect your frankness and your firmness. You again have talked things over. He understands and is understood.

### *Need of Keeping Close*

How many heart-to-heart talks are had with an employe thereafter probably will depend on circumstances. If the new person is a recent high school or college graduate and has worked very little in business before, he will need more of these discussions than will a person who has had several years of experience. But any new person needs considerable help and encouragement the first six months and in many instances the first year, and we should have a definite plan of follow-up to see that he gets it.

### *How About Salary Review Time*

SOME companies follow the practice of reviewing salaries twice a year and these are excellent occasions for the supervisor to have a good talk with each person in his unit. Before the supervisor recommends an increase, he should carefully review each person's work. Having done this, he is ready to talk to his people. Naturally, he will commend each man to the extent that it is warranted. He will also very definitely, emphatically, and impressively cover the points on which he has fallen down. He will not do this just to criticize, but to show the employe where and how he can improve.

### *The Supervisor Learns Something, Too*

PERHAPS during this talk he will learn some things he did not know. Quite likely the individual's failure to do things well is the result of something over which the individual had no control. If these are corrected, satisfactory work will follow.

### *Talk Before You Decide*

THESE points must be covered before a supervisor can make up his mind regarding salary increases. So this decision on salary adjustments should follow the talk with the employe.



*When Do You Tell Them*

IF AT the end of this discussion the supervisor decides he will not recommend an increase, he should tell the employee and tell him why. The reverse is true if he decides he will recommend an upward adjustment or if he is undecided. If the supervisor tells the employee he will make such a recommendation and for some reason it does not come through, there will be trouble. The employee will be unhappy, blame someone higher up and come to the conclusion that his supervisor's recommendation does not amount to much.

*Play Safe*

IF THE supervisor does not commit himself he can cover the subject with the individual after he learns that it has been turned down. If he is smart he will tell the employee that it is in his decision, and tell him as well as he can why he arrived at it.

Often it is not easy to tell a man that he is not going to get an increase. But it is a lot better and easier to tell him he isn't going to get one than to talk to him after payroll review time has passed and he finds that he did not get one.

*There Is Understanding*

NOW if the supervisor has followed this procedure, he has accomplished much. He has commended his people for their good work—and pointed out to them where they failed. He has given them an opportunity to present their side of the picture. If they get an increase, fine. If they do not, they know why, and what they must do between now and the next review in order to qualify for one then. Some will be happy—some unhappy—but again you have talked things over. Better do they understand, better are they understood.

At our company, we have for years reviewed pay rates twice a year—around January 1st and July 1st. On each occasion I have urged our supervisors to review carefully the work of each individual under his supervision and then talk to him. Our people know their rates are being reviewed and this question of how they are doing and what their supervisor thinks of them is on their minds. It is an excellent time for a heart-to-heart talk—for helping the employee to understand and for making him feel he is understood.

*Employee Relations Manager Talks, Too*

NOW every person needs an occasional talk with someone other than his unit head, someone who will listen to his story, someone to whom he can talk freely without fear of what he says being held against him. Supervisors are not always as considerate as they should be, and the employee may think his side of the picture has not been given due consideration. Or perhaps he may wish to get some



other person's opinion on one of his problems. Maybe the thing that bothers him has nothing to do with his work and is of such a nature that he prefers that his boss know nothing about it. Yet he needs counsel and advice regarding it.

The employe relations manager should be the type of person to whom the individual could go with his problem. He may hesitate to do this, however, without an invitation. Thus, it is important that the employe relations director have a schedule that will provide such an occasion at least once a year. The anniversary of the individual's employment is an ideal time except perhaps when it comes very close to payroll review time.

The employe relations manager should know how well the individual has been doing his work—something about his strengths and weaknesses, in order to make best use of this opportunity. If a systematic plan is followed, this information can be obtained before the employee is called.

### *Must a Schedule Be Followed Rigidly*

**Y**OU may ask, should such a plan be followed rigidly? And of course the answer is "No." If an employe is not doing well and a good serious talk is needed, it would be most unfortunate if the supervisor would purposely wait until the next payroll review time to have it. To wait until then might be to wait too long. The problem should therefore be handled as the need arises. And if it is handled then, there may be no need of a serious talk at payroll review time. The value of having a definite schedule, such as twice a year when salaries are reviewed, is that these are two logical times to do it if it hasn't been done before.

### *Do It When Needed*

**L**IKEWISE, the employe relations manager cannot always wait until the scheduled time. If he learns that an employe is unhappy, he should do something about it soon. An unhappy employe is like a bad spot in an apple. It does not correct itself and soon contaminates the other apples. So it is with a disgruntled employe—he soon gets the other employes disgruntled. All you can do with a bad apple is to throw it out. The employe, however, can usually be saved if we talk to him.

### *Develop the Technique*

**T**HE value of a heart-to-heart talk will depend much on the technique of the counselor, whether he be the supervisor or employe relations manager. One thing sure, however, is that the discussion must be thorough enough to be impressive. So often I have talked to supervisors who will tell me of the shortcomings of some of their people. They will assure me that they have covered the subject with these people thoroughly. A short time later I will have occasion to talk to the employe and will work the discussion around so that these points will come up. Usually they are very much surprised. I ask them if their supervisor ever told them

about it and they say that he has not. Well, what has happened. The supervisor says he covered the subject thoroughly, and the worker says he did not mention it. Is one of them lying? Not necessarily.

The point is that the supervisors were not nearly as thorough and emphatic as they thought they were and the workers did not pay enough attention to what they were told. As a result, the advice did not register.

### *Explain Why*

SO IN talking to our people, we must be sure to get our points across. One way to do this is to explain why things should be done and why errors are serious. As an example, when talking to a typist in a central typing section about the need of accuracy and neatness, we might tell her:

1. That a central section is maintained largely because of its economy. Were there no central sections, each unit would have to have a typist, a machine transcriber, and a comptometer operator. There is not enough of this specialized work to keep this many girls busy and as a result, many of them would waste their time. In order to keep them busy, the supervisor would make work for them, much of which would be unnecessary. There would therefore be considerable waste of time.

2. Units prefer to have specialized girls in their group because it is easier for those in the unit to turn around and give her something than to take the time to put the requirements and necessary explanations on a typing requisition and send it via pick-up service to the central section. One way to upset this opposition is to do such good work that units would prefer to have it sent to the central section.

3. Speed is needed in the section as well as accuracy. Except on rush jobs, however, the person who sends the work to the unit doesn't care how long it takes provided it is perfect when he gets it. If two girls in the central unit are assigned to the same work and one does it in one half hour with one error and the other does it in two hours with no errors, the one who does it in the least number of hours is no doubt considered the best girl by the head of the central section. The man who gets the work back does not know how long it took the two girls. He knows only that one did perfect work and the other made an error. One of the girls, therefore, in his mind did the kind of work that will make him want to send more of it to the section. The other did the kind of work which makes him opposed to sending it to the section.

4. Therefore, the work which leaves the section must first of all neatly and accurately done. The next job for the typist to learn is to do this rapidly.

This approach to the need of accuracy will be much more effective than just telling her that the work must be neat and accurate.

*Employee Counselor*

AS ANOTHER step in talking things over—in giving employes the feeling that they are understood, we might provide a special counseling service, i.e. appoint one or more people whose duty it is to listen to those who want to get things off their chests. Counseling service is not a descriptive title because in most companies these specialists do little counseling. They are really more in the nature of "gripe listeners."

The duties of these persons are different in different companies, but all have two things in common. They are there for the employes to talk to, regardless of the subject, and second, they are not to pass on to management what they are told by the employes. They, therefore, act as a safety valve. Employes can come to them and pop off all they wish. Usually when they let off steam they feel better and do better work.

Then, too, the subjects discussed are not always in the nature of "gripes." They may refer to conditions at home, or have to do with the boy friend or girl friend, or any of the other million and one things that prey on workers' minds.

I don't know that a great many companies follow this practice, but the number is increasing and I know of no instance when it has failed. This heart-to-heart talk is a little different than those previously mentioned, but it nevertheless gives the employe the feeling that he is understood.

*Exit Interview*

FINALLY, if in spite of all our visits and talks with our people, some of them leave, we should arrange for an exit interview. This gives the employe the chance to have the last word. You usually find out on this occasion, better than on any other, what he thinks of the company and his supervisor. Sometimes what you learn is quite revealing. At any rate, you have listened to him, and given him the opportunity to say what he wishes, and he will feel at least that you now understand and that he is better understood. His final privilege extended him was that of talking it over.

*From a talk before the St. Louis Chapter of the NOMA.*

In Some Jobs a Man Can Expect to Work for 22 Years before It Wears Him Out. In Others He may Expect to Work for 36 Years Before Being Worn Out. After He is Worn Out on the Job Then His Expectation of Life Remainder to Enjoy Retirement Also Varies. It Is Suggested that Wages Allow for This.

# New Wage Factor

BY W. S. SCHLAUCH AND JAMES D. WEINLAND

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**M**ILLIONS of man hours of labor are being lost each year through labor disputes and strikes. The major problem involved in these disputes is wages. The technique applied to solve these wage arguments is predominantly that of collective bargaining.

Problems are solved by bargaining when adequate data is lacking to solve them by engineering or scientific principles. Wage disputes, in particular, are apt to be won by the largest union or the strongest employer. In a bargained conclusion there are sure to be some who are not completely satisfied. Recurrent bargainings are therefore required by this technique. The expense of this method is evident, particularly when one party or the other walks out on strike, or threatens its opponent as a means of enhancing its bargaining position.

## *Relative Wage Scales*

**I**F WAGES could be taken from the realm of group pressure and made a matter of engineering and scientific measurements the process of collective bargaining would be much simplified. Certain basic principles are well known. Wages are recognized as the primary return for work. Supply and demand of labor is a determining factor in establishing wages. The value of the work done and prevailing costs of living are other factors. Elaborate data is collected and tabulated to show the changing costs of living. Related to the value of the work done we have job evaluation. This technique has been developing since about 1930 toward a scientific status.

Collective bargaining on a grand scale, however, has not been replaced. The



unions feel that whole occupations and trades, subject to idiosyncrasies of supply and demand, are underpaid and that all the jobs of a collective group should be evaluated upward.

We deal here with this factor of the relative wage scales of different occupations. If adequate data were collected by the United States census, or by other methods, and properly analyzed, it should be possible to determine mathematically whether or not an occupation is underpaid.

### *Expectation of Working Life*

THE principle proposed is that expectation of life within an occupation, and average length of job life provide a basic principle that has been overlooked. By giving proper attention to these factors, along with job evaluation and costs of living, it may be possible to better calculate a just wage and simplify the problem of collective bargaining.

Men are paid on a quantitative basis, depending partly on the hours, days and months they work. It is only logical that wages be determined in some degree by the number of hours a man's life will yield to the occupation. This principle has been recognized in the past when the factors were obvious. Steeple climbers, deep-sea divers and men doing work generally regarded as very dangerous always have been paid well. Compensation is required by law in many states for injuries that shorten, or handicap, a man's job life.

Job life and general life expectation within an industry have not yet been used as factors determining wages because of their abstract nature, and the statistical work involved in their determination. A little consideration will show, however, that since calculation of life expectation made by insurance companies have developed a technique and proven the value of such information in writing insurance policies, the same principle and similar information might provide a missing link in calculating wages mathematically. The importance and number of questions left for bargaining would thus be reduced, with a resulting saving in both time and money. A detailed, though pioneering illustration of the procedure follows.

### *Procedure*

CERTAIN occupations presenting rather wide variation of working conditions for employees were selected by the authors and an attempt made to ascertain two main facts in connection with each industry. These are:

How long can a workman last in the job; or otherwise stated, what is the average number of years that workers last in the industry before they must give up employment in it because of physical incapacity to continue? We may call this phase of the inquiry an investigation of the *job-life* depreciation of each industry, or the time it takes for the working conditions and job strain to destroy the workers capacity to remain in the job.

What is the expectation of life of the workers in each industry, and how does it compare with that of the population at large?

### *Sources of Material*

THE modal age to which a worker remains in one of the industries studied was estimated from data given in the 15th Census of the United States, Volume 5, Population.

The Joint Occupation Study of the Actuarial Society of America, and the Association of Life Insurance Medical Directors, and the volumes of the Monthly Labor Review were drawn upon for data with which to construct an approximate Life Experience Table for each of the industries studied. Since these studies gave the death rate increase above that of the population at large for various *age groups* only, these rates were smoothed and made continuous for each age. The percent probability of dying at each age for each industry is thus only an approximation. Reliable experience tables should be actuarially calculated for each industry to determine the effect of each industry on the length of life of the worker.

However, the tables constructed show considerable variation in the length of life as between the industries studied, and the evidence indicates that if actuarial experience tables were constructed, they would show about the same differences. Collateral evidence of the truth of this statement is found in the article by Dr. Louis I. Dublin of the Metropolitan Life Co., on "The Job and the Life Span," in Harpers for January 1930.

### *Argument*

IT WOULD appear evident that an occupation that involves hazards to health and nervous strain to such an extent that many of the workers die young of diseases caused by occupational conditions and hazards, and also wears out the men engaged in it so that few can continue after age forty-eight should pay a higher compensation to the men engaged in it than an industry in which the normal age of retirement because of incapacity to continue is sixty-five. Shortening of job life should be accompanied by compensation in some form.

But the fact also emerged in the investigation that those jobs which deteriorate the worker most rapidly, using up his ability to function in the job at an early age, also undermine his vitality, and shorten his life. The worker whose ability to continue in the job is used up more rapidly than that of his more fortunate brothers, can not expect to live as long as they. He loses his job earlier in life, and then lives a shorter time after retirement than workers engaged in occupations with less severe job depreciation.

These statements are amply verified by the Joint Occupation Study of the Actuarial Society of America, and the Association of Life Insurance Medical Directors, as well as by an article published in Harper's, January 1930 by Dr. Louis Dublin of

the Metropolitan Life Insurance Company referred to above. Copperminers working underground and inhaling dust loaded with silicon particles have an expectation of life at age twenty-five which is much less than lawyers of the same age. The difference is approximately fifteen years.

There is a decided positive correlation between the length of job life and the physical life span. The evidence available tends to show that some laborers (workers) have less chance to continue long in the job than lawyers, physicians or tailors, and that they cannot expect to live so long. Some industries or vocations depreciate the worker much faster than others, both from the standpoint of ability to remain on the job, and the loss of health and physical stamina.

### *Compensation for Shortened Job Life*

**J**OBs requiring skill, knowledge, intellectual ability, implying long preparation for the job will always command higher compensation rates than unskilled jobs requiring little or no preparation or unusual ability. Such differences of compensation arise naturally out of conditions of supply and demand. But if two industries offering jobs demanding approximately the same degree of skill and preparation time, impose different working conditions and job-strain so that the job life as well as the physical life is shorter in one than in the other, the wages or compensation should not be the same.

The shortened job life should be compensated by a payment, direct or deferred, which will give the worker something in return for his lost years. Those who work in occupations that promote long life, on the other hand, have no claim to special consideration. A long average job-life and life expectation indicates reasonably good living and working conditions within the occupation. It is for this reason that we recommend occupational job-life and total life expectation as one measuring stick of appropriate wages.

### *Studies Used*

**W**HILE our investigation of the available data on job-life depreciation and the effect of the conditions of employment on life expectation was handicapped by the lack of complete experience tables for each industry, yet the amount of data available clearly indicated considerable variation among the twelve industries studied in these two elements. Since our data are imperfect, and have since been affected by war conditions, we do not name the industries in the table below that are related to each particular life expectation. In general, however, we may say the occupations studied for job life and life expectation of the workers included cotton textile operators, compositors and linotypers, engineers, lawyers, and judges, physicians and surgeons, teachers, accountants, painters and decorators, coal miners underground, copper miners underground, truckmen, barbers, and wool textile operators.

The results of the study clearly indicate the desirability of taking into account



these factors of possible job life in the industry, and the probable life time of the worker since these varied greatly from industry to industry or occupation among these fourteen. The table given below makes this statement clear.

### *Occupational Table*

<i>Industrie.</i>	<i>Model Job Life Years</i>	<i>Life Expectation at age 20 yrs.</i>
A	22.0	X
B	25.2	X
C	25.5	29.2
D	25.7	45.4
E	27.0	36.0
F	27.0	44.6
G	30.6	43.6
H	31.6	31.6
I	32.6	45.0
J	33.1	42.8
K	33.4	46.0
L	36.5	45.0

The census authorities should assemble the data and calculate an experience table of mortality for each major industry. This would enable the wage fixing authorities to ascertain how many years, on the average, are taken from a man's life who works in a particular industry. Thus, if in industry A, the modal age of involuntary retirement is 51, and the experience table for industry A shows that for workers in this industry, the expectation of life at age 51 is 11, while that of the population of the continental U. S. as a whole at age 51 is 21 years, the workers in industry A, on the average, are suffering a loss of 10 years of life because of the conditions of the job.

### *Will You Sell a Year of Your Life?*

WHAT compensation shall be given for a shortened life? It would be hard to find any man who would in a conscious act sell a year of his life for any sum of money. And yet when working men enter certain industries they are thereby in all probability shortening their lives, and receiving no compensation for it. The first step in handling this situation scientifically would be in recognizing and measuring it. With a precise knowledge of what the gain or loss in job life, and total life expectation in each expectation is, reasonable rates of compensation in the various industries could be calculated fairly. A second, and perhaps very great advantage accruing from this measurement would be, that with the job life, and life expectation for each industry known, it would be to the employers' advantage to improve conditions, lengthen the life span in the occupations, and bring their wages more nearly in line with the average wage of the total population.



*Illustration of the Principle*

FOR the sake of illustrating the principles given above we will assume what seems a modest and reasonable proposition, that a normal year's wages should be paid for each year by which the occupation shortens the life of the worker. We will also assume that the number of years in the modal job life of an industry can be used as the basis of calculating an annual contribution to a fund which will accumulate with interest earnings, a sum sufficient to provide a life annuity for each worker at normal retirement age of the industry, of one half his average annual wages.

In the case of an industry where the average reduction of life is ten years, the cash value of ten years wages should be available to his dependents at the time of his death, and could be provided by payment into a fund each year of a sum, sufficient with interest, to accumulate a lump sum by retirement time, large enough so that its compound amount at time of death would be equal to the present value of an annuity certain whose annual rent is the average annual wage, and whose number of terms is ten. This present value of the ten year annuity should be available to the dependents at the death of the worker.

*Illustration I, Hazardous Industry*

AVERAGE annual earnings of all workers within living distance of the works was \$576.00.

Modal job life of workers who remained in the employ 28 years; average 27 years. (That is, length of working life in industry (average) before compulsory retirement owing to ill-health.)

Expectation of life of those entering at age 20 and remaining in the employ of the mining company, lower than the male population of the Continental United States by approximately 10 years. (That is death ten years sooner than average citizen.)

For employees in this industry if these data are reliable, the wages could be equitably fixed as follows:

A worker entering the employ at age 20 would normally retire at age 47. Therefore, if we accept \$576.00 as the annual wage there should be added compensation in the shape of payments to a fund to secure a life annuity (or pension to him) of \$288.00 a year, to begin at age 47.

Assuming that money can be safely invested at  $2\frac{1}{2}\%$  and that the cost of such life annuity at age 47 to be \$4215.96, as given in the rate book of a prominent life insurance society, this means that there should be paid for the account of such worker to a trustee who will invest the funds at not less than  $2\frac{1}{2}\%$ , \$111.20 per annum.

This is, to compensate workers in this type of work underground, for the smaller number of years he can reasonably expect to continue working, his basic living wage of \$576.00 should be increased by \$111.20 a year to amortize his retirement life needs.

*Low Life Expectation*

SINCE the average experience of workers in this industry indicates a *life expectation* 10 years less than that of the male population at large, his probable early death should be compensated by providing for his dependents at the time of his death a lump sum which will be the present value of \$576.00 a year for 10 years, on a  $2\frac{1}{2}\%$  basis, at the time of his death, normally age 57.

This present value is \$5041.19.

Since the fund which will amount to this present value at age 57, should be in the hands of a trustee when the worker loses his job on account of incapacity to continue, the sum should on retirement be \$3938.17.

That is, by the time job depreciation has incapacitated the worker from continuing to work in the mine, there should have been accumulated for his benefit, by means of annual payments to a trustee sufficient each year to have accumulated with interest at  $2\frac{1}{4}\%$  the sum of \$3938.17. This requires an annual payment to the fund of \$103.88.

*Final Computation*

This means, that if the two elements usually ignored in wage fixing were taken into account in the case of this mine, the annual wage would be:

$$\$576.00 + \$111.20 + \$103.88 = \$791.08$$

The life of the typical worker would then be in outline as follows:

He enters employment age 20, receiving \$576.00 a year or \$48.00 a month in cash.

A deferred payment of \$111.20 a year and another of \$103.88 a year is made to sinking funds for his benefit until his retirement.

At age 47 he is retired because of incapacity (job depreciation), and receives an annual income of \$288.00.

When he dies, 10 years later, his dependents or heirs receive \$3938.17 in cash.

*Illustration II, Less Hazardous Industry*

This industry is located in a city where the standard of living calls for an annual income of approximately \$1300.

Modal job life of those remaining in the industry is 31 years. (That is length of time on job before compulsory retirement due to incapacity.)

Expectation of life for workers of the industry at age 51, approximately 12 years, as compared with 20 years for the population as a whole. (That is he would on the average die eight years sooner than the average American.)

A worker in this industry should receive the basic income of \$1300 a year, *plus* the amortization charges for a life annuity of \$650.00 a year, starting at age 51; and a death benefit for his dependents, equal in amount to the present value of an annuity

contain of 8 terms and annual rent of \$1300, due 12 years after retirement, or discounted to the time of death, if this occurs before the due date.

To meet these requirements, in addition to the wages of \$1300 a year paid in cash to the worker, the industry should pay to a suitable trustee annual amounts as follows:

1. To accumulate the purchase price of a life annuity starting at age 51 of \$650 a year costing approximately \$9489.80, annual payments of \$206.30.
2. To compensate for shortened life, an annual sum which would secure at age 63, the normal age of death for workers in this industry the present value of \$1300 a year for 8 years, for his dependents, at the normal age of retirement, age 51, when the annual payments would cease, this fund should amount to \$6930.82.

To accumulate this sum by annual payments over the normal 31 years of employment, requires an annual payment of \$150.87.

Thus, the equitable compensation of a worker in this industry, including cash payments for current income, and deferred payments to a trustee for his benefit would be,

$$\$1300.00 + \$206.30 + \$150.87 = \$1657.17$$

per annum. Whether the trustee be a state or Federal Social Security Agency, or some mutually agreed upon trustee is immaterial to the justice of the plan.

### *Conclusion*

**W**E CONCLUDE that with proper data made available by the United States Census, or gathered by some other agency, it would be possible to calculate job life and total life expectation in different occupations with a practical degree of accuracy. This information, together with other data used today such as that of job evaluation and the relative cost of living could be used to give a more factual basis for scientific wage calculations. Such calculations would reduce the number of issues to be settled by collective bargaining and simplify the process. This accomplishment would save a great deal of time and money, bring about a greater degree of justice, and work to the benefit both of labor and management.

*(Note. The actuarial computations by which the authors arrive at the annual amounts to be set aside for shortening of job life of worker, and compensation to his dependents for his early decease, as given above, may be obtained from the authors.)*



If You Want to Sell Vacuum Cleaners or Washing Machines You Put Your Foot in the Back Door and Persuade the Housewife that the Old Man Is Going to Work for Ever and Keep up the Payments Out of His Everlasting Wages. If you Are A Life Insurance Salesman You Come In the Front Door and Tell the Good Lady that the Old Man May Pop-off Any Moment.

# Selection of Salesmen

BY FORREST H. KIRKPATRICK

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**S**PEAKING at a recent meeting of the Sales Executive Club, Lee McCanne, assistant general manager of the Stromberg-Carlson Company, predicted that there would be work for five million more salesmen after the war. If Mr. McCanne is right, or if his estimate is near right, this is very pleasant news. For, as he put it, "it would mean enough jobs to absorb half of the men who will be released from the armed services." But it also presents a serious and challenging problem in personnel selection and training.

## *Merely Suggestions*

**J**UDGING from recent studies made in the selection of salesmen, one must assume that personnel research has done little or nothing to help with this particular task. Even before the war one could not point to any notable or significant accomplishments in this field. Such a problem, of course, presents many varied and elusive factors for the work requirements for salesmen is not standardized. Some of the measurement studies in salesman selection that have been reported, showing varying degrees of success, are scarcely more than suggestions of channels that might be opened in the future. In many instances, rather questionable criteria for success have been used.

In one interesting study, Kornhauser and McMurry, after two years of careful follow-up, noted a reduction in turnover of 23%, and an increase in production level equal to 6.5% per man. In their study a weighted personnel history (application) blank, personality test items, and standardized analytical interviews were used in



selecting the salesmen. The first two devices alone were able to eliminate 31.8% of those later shown to be failures, and 22.4% of the mediocre men, while losing 6.7% of good men. In another study Goldsmith set a critical score on a weighted personnel history blank which eliminated 54% of the failures while losing 16% of successful men.

The Life Insurance Sales Research Bureau has developed an "Aptitude Index" consisting of two parts, i.e., a weighted personal history items and a test of personality characteristics. The relative weights of these two parts depend on the age group into which the applicant belongs. This index yielded a validity coefficient of .40 when correlated with amount of sales as a criterion.

The Bernreuter "Personality Inventory" has been used in many studies with widely different results as to salesmen and measures of extroversion and dominance. Some companies have selected items from personality tests which seem to have validity for their own situation. Lovett and Richardson claim validity for a home-made test of social attitudes, finding that salesmen have a tendency toward conventionality. These investigators find little value in testing for mental alertness. Schultz supports this view in general, but points out that intelligence tests do help eliminate those from the very bottom. One company servicing a large number of sales organizations with psychological tests, includes an intelligence test in its selection battery.

Rating scales for salesmen's traits have been tried by Knowles, who evaluated appearance, character, intelligence, ability to get along with others, industry, initiative, efficiency, and leadership. This method requires a rater who has had wide experience with salesmen, close contact with ratees, and training in rating. Strong's interest inventory was used with some predictive accuracy when scored for "life insurance salesmen." This test plus a personal history blank was used in a study by Bills, and he reported the Strong test alone was "good for the purpose."

### *Why the Difficulties*

**D**IFFICULTIES in developing selection devices for salesmen seem to fall into two types: (1) those due to inability to isolate and measure personality attributes, and (2) those due to the specificity of a salesman's work. These must not be regarded, however, as insurmountable difficulties. Personnel research men who are interested in this field should undertake to find sources of improvement in dealing with these difficulties. There is some question as to whether we shall ever be able to get a job analysis for salesmen that will have common factors.

It seems clear that any significant success in selecting salesmen by test must wait on better techniques for measuring "personality." The tests or inventories enjoying the widest usage today for personality evaluation are the Bernreuter, the Bell, The Humm-Wadsworth, and the Thurstone's schedule. None of these stands on unassailable validity. Then too, recent studies of personality emphasize the whole-

ness of the individual's psychological life. The habits, attitudes, sets, traits, etc., which have been offered as elements of personality are resultants of a dynamic interplay of responses being made to a wide variety of influences. There is a carry-over of tensions from one life situation to another, often to areas where their appearance is not recognized consciously.

One area for further personnel research might be concerned with the conflicts that are found detrimental in sales work. Methods of measurement for sources of conflicts must be devised. One method which might prove useful is the measuring of attitudes toward the home situation, society, races, etc., which might be favorable or unfavorable to adjustment. Attitudes can be measured without too much prying into one's personal affairs. Instead of asking a person if he is maladjusted, as some of our present tests do, expressions of his thinking are noted and interpretations then made in the light of this knowledge.

### *Social-space of a Salesman*

THERE is reason to believe that the *projective techniques* for diagnosing personality might be helpful in salesman selection. Recent researches indicate that effective group studies can be conducted with the Rorschach ink blot test. The comprehensive scoring methods of the Rorschach might uncover significant relationships with sales success. There is also need for systematic study of the *social-space* in which a salesman is placed. More than an individual's personality make-up is involved in a sales job. There are usually two people to a sales situation. The nature of the relationships involved in a sales interview should be studied with a view toward predicting the type of clientele with which a particular salesman will and will not be successful.

### *Saleswork Very Specific*

PERSONNEL research in the field of salesman selection is made very difficult because of the specificity of sales work. Criteria for evaluation are often unstable because of the great diversity of situations met by the men studied. Amount of earnings cannot always be taken as a criterion of success, since some salesmen have more production territories. For the same reason volume of sales is inadequate. The cost of a salesman to the company as a criterion is influenced by the nature of the territory and by the amount of adjustment required of a particular salesman to a particular territory. A battery of criteria used in a study by Lovett and Richardson consisted of descriptive rating scales, paired rating scales, confidential report on job adjustment and personality, percentage of quota sold, percentage of dealers sold, and cost of selling per box of soap. In situations where individual job differences make "objective" criteria difficult, rating scales in the hands of trained managers and supervisors may be the best solution.

In selecting a group of salesmen for experimental study it may be necessary to

consult experts in the sales and marketing field for assistance in finding those men whose jobs present about equal situations. The opinions of district managers and of seasoned salesmen will be of value in this respect. It will be true, however, even with all expert opinions and careful analysis that the job situations are not fully equated. Only the closest approximations can be attempted, remembering that when all factors influencing the experimental variable can not be controlled, it may be best to try to define and measure errors introduced. Much labor in this direction will be rewarded by increased accuracy in evaluating our measuring instruments.

### *Future Personnel Research Suggested*

MANY companies are interested in better selection devices for salesmen and there is some promise of help in aptitude testing. S. D. Chamberlain, Field Sales Manager of the Kendall Company, has said that his company believes that "sales aptitude and interest tests are not only worth the trouble and expense of administering them but are definitely helping us raise our sights on sales personnel development."

From research studies completed to date it seems fair to conclude that (1) the tools found most effective have been: standardized personal history blanks, personality tests, interest test, and interviews; (2) the two chief obstacles have been the difficulty of measuring personality attributes and the nature of a salesman's work.

Such areas as the following are suggested for future personnel research in salesman selection:

- (a) Tests for areas of conflict which lead to poor adjustment.
- (b) Experiments with the use of projective techniques.
- (c) Study of sales situations and interpersonal relationships.
- (d) Study of job analyses.
- (e) Redesign of "criteria" of success and better methods of regulating experimental designs.

It is likely that painstaking interviewing procedures have proven their worth in selection. Most studies indicate that the more we know about the whole man and the company situation, the better we can predict behavior.

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# PERSONNEL Journal

*The Magazine of*

LABOR RELATIONS AND PERSONNEL PRACTICES

Published by PERSONNEL RESEARCH FEDERATION  
Lincoln Building, 60 East 42nd Street, New York City

*Volume 22*

*Number 10*

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Evolution, Whether in Marigolds, Mammals or Management Involves Increasing Specialization for the Performance of Different Functions. Unchecked This Process Leads to Disaster. A Continuing Process of Integration Must Also Be Set Up.

# Employee Counseling

BY HELEN BAKER

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THE analysis of some sixty counseling programs in the report has sought to show the origins of counseling in industry, its objectives and procedures, and the problems involved in the organization and administration of a specific plan. Many of the programs are very new and were begun under conditions of rapid expansion of plant and personnel. Executives had little time to study counseling activities in other companies or counseling outside of industry, and a great variety of procedures have evolved without any guiding standards except the immediate need.

The aims of counseling have been stated in many ways but all have one common denominator—an attempt to facilitate the adjustment of the individual employee to the job. These special efforts to help the individual were found to be limited to women employees in about half the companies studied. However, in the other companies, management has recognized that both men and women have personal problems which are multiplied in wartime and which affect their efficiency at work to a serious extent. These companies have made counseling services available to all employees.

## *Principal Types of Programs*

THE general aim of counseling—to help the individual adjust as satisfactorily as possible to the conditions and problems facing him—was carried out to varying degrees by supervisors, line executives, and the personnel staff long before the word “counseling” was used in industry. However, statements by executives indicated the existence of a considerable gap between the need for attention to problems of the individual worker and the actual attention given them. This gap widened to

serious proportions as plants expanded to meet the demands of wartime production. Channels of communication between top management and employees, which at best were inadequate, were further reduced in effectiveness by the rapid increase in number of employees and by the quick upgrading into the ranks of supervision. Some specific activity was needed, and many companies developed during 1942 and 1943 arrangements to help the individual and to strengthen channels of communication between management and employees. These arrangements vary greatly between companies, but four principal types of program were found.

### *Most Used Type in War Industry*

A COUNSELING service which provides information on many matters, handles a number of activities previously the responsibility of other members of the personnel department, encourages employee consultation on any question of concern to the employee, and, on the basis of its contacts with employees, advises management on personnel policies and procedures. This type of counseling program was begun in a few government agencies prior to the war, and is the type most frequently found in war industries. It is based on an acceptance of the value to management of specific help to individual employees. It gives some consideration to the therapeutic aspects of employee interviews, but counselors in these programs do not often go beyond serving as friendly listeners. Employees are given information on company policies and on such special matters as housing, transportation, rationing, and the availability of community social services and medical care. They are referred to their supervisors for decision on problems directly connected with the job, and to outside agencies for extensive assistance in the solution of difficult personal problems. Most counselors in this group emphasize the importance of aiming to reduce the number of employee problems by consultation with supervision, management, and community services.

### *Personnel in Production Departments*

THE extension of the personnel department into production departments. The principal objective in the assignment of a personnel representative to production areas is to facilitate employee adjustment by improved understanding and coordination of personnel policies and procedures. Stress is laid upon assistance to supervisors in their personnel responsibilities. Interviews with employees are likely to be regularly scheduled induction, follow-up, and exit interviews more often than informal consultations sought by the employees.

### *Use of Psychiatric Methods*

COUNSELING in which emphasis is placed on employee interviewing as a specific aid to individual adjustment. This type of counseling, in particular, requires well trained, skilled interviewers and in most cases is under the direct supervision of a psychiatrist, psychiatric social worker, or some one especially trained and experienced in personnel counseling. Arrangements of this nature more than any

other type of counseling program in industry bring up questions of the extent to which a company can or should assume responsibility for preventive psychiatric medical service or direct psychotherapeutic counseling for its employees.

### *Special Women Problems*

**D**IRECT assistance to foremen on the supervision of women workers. Women supervisors, sometimes called counselors, who are responsible to a department foreman or shift superintendent but without line authority, have been appointed in some companies to relieve the foremen of certain responsibilities in the interpretation of personnel policies and the disciplining of women. Counselors and personnel executives are critical of this arrangement, and feel that the assumption of disciplinary duties not only prevents a satisfactory relationship between the counselor and the employee, but also is likely to weaken the status of the foremen without improving appreciably the personnel relations within the department. Many executives are of the opinion that if supervisory responsibilities are to be delegated to a woman, the woman should be a full-fledged assistant and not an unintegrated "fifth wheel."

### *Factors to Be Considered in the Development of a Program*

**T**HE growth of widely different arrangements with one common aim is evidently due to variations between companies in foreman training, in personnel policies, organization and research, and, perhaps most of all, to the differences in the impact of emergency production requirements. The variations in plans appear also to have resulted from action taken without sufficient consideration of fundamental relationships and responsibilities of the supervisors, executives, and personnel staff. The reports of problems met, of revisions made in programs to correct weaknesses, and of methods which have proved helpful to employees, supervisors, and top management suggest that all of the following items require consideration by a company working on a new or revised plan for employee counseling.

#### *Is There a Need for It?*

**A**CAREFUL study of the special need for the new activity and of the problems involved in its establishment. Can the present personnel organization be expanded to give more emphasis to the problems of individuals? Can present foremen or group leaders be trained to accept more fully their personnel responsibilities? What specific activities are needed that cannot be handled by the supervisors and the present staff of the personnel department? Can the new activity and the new personnel required to handle it be integrated satisfactorily with the present line and staff organization?

#### *What Needs Can It Meet?*

**A** DEFINITION of objectives, and of ways and means of attaining them. The experience of many companies indicates that a worthy aim expressed only in general



terms is not enough to insure a successful counseling program. A basic step in planning is to list specific needs to be met and recommended ways of meeting them.

### *Introduction of Program*

**I**NTRODUCTION of the program in such a way as to gain the prompt cooperation of supervisors and the confidence of employees. Counselors have pointed out the initial difficulties met which might have been avoided had management discussed the prospective plan with supervisors, announced the functions of the counselors to supervisors and employees, and introduced the individual counselor through the line organization.

### *Relation to Personnel Department*

**T**HE establishment of the counseling service as a part of the personnel department. A considerable majority of the reporting companies felt that the head counselor should be responsible to the chief personnel officer to insure the integration of counseling with other personnel activities and to bring promptly to management's attention findings of value in the determination of personnel policies.

*A well qualified chief counselor to coordinate the program as a whole with other personnel developments and to supervise the counseling staff.* Companies have found that one or two counselors may report directly to a personnel executive, but that a special supervisor is needed as the program expands. This supervisor should be a person of sufficient experience and caliber to appraise the counseling activities as *one part* of a multilateral effort of management to develop sound personnel relations. He should also be able to train and supervise the other counselors.

### *Qualifications of Counselors*

**A**CAREFUL definition of the qualifications to be sought in the selection of counselors. There is general agreement that persons chosen for counseling work should be emotionally mature, and, while sympathetic, should also have a sufficiently professional attitude to be able to view situations and people objectively. Previous experience in work dealing with people is an important qualification. Many companies consider a college education a basic requirement, and a number mentioned specifically courses in psychology, sociology, and personnel administration. A number of executives stressed the need for a salary range for counselors on a par with other personnel supervisors and high enough to attract qualified applicants.

### *Training for Counselors*

**D**EFINITE *in-company training for counselors.* A training course or understudy program for new counselors is essential to their speedy orientation to the job, and is important in assuring a uniform approach to the solution of individual problems. Typical induction training includes a discussion of the job and its place in the organization, a study of company personnel policies and procedures, information on company products and manufacturing processes, and information on all in-company

and community services which may be of help to employees. Weekly conferences of the counseling group and individual conferences with the chief counselor (or with the personnel director, if there is no chief counselor) are important aids in keeping the counseling service in line with its objectives.

*Private conference rooms as convenient as possible to workers and supervisors.* Counselors state repeatedly the need for close contact with the working department, but they consider of equal importance a quiet office where employees may talk freely.

*A record system planned in accord with the specific objectives of the counseling program.* It has been pointed out that the more definitely the program is aimed toward therapeutic objectives, the more detailed should be the records of individual interviews. Records of employee interviews of a personal nature should be treated with the strictest confidence.

### *The Outlook for Employee Counseling*

IN SPITE of the rather inauspicious beginning of many counseling arrangements and in spite of many serious criticisms against them, they have grown rapidly in the past year and apparently are continuing to expand. The evidence is strong that they have helped substantially to meet serious needs in war industries. Whether those needs will continue to exist after the war or can be met in better ways than through counseling are questions that should be studied carefully in the light of experience with counseling and of the fundamental aims of personnel management in industry. The opinions expressed by counselors and company executives indicate a continued growth of counseling in the immediate future, but a less certain status as a permanent part of personnel management.

### *The Immediate Outlook*

THE consensus of opinion of executives reporting on personnel arrangements which include some form of employee counseling is that they will survive throughout the war period and may expand considerably beyond their present size. Many difficulties were cited, but the response to a question concerning present usefulness was invariably favorable. Personnel directors who have employed women advisors or inaugurated counseling programs for all employees are, for the most part, confident that the counselors are helping individual employees in many ways, are thus reducing absences and turnover, and are giving valuable aid to hard-pressed supervisors. Just as a lack of supervisory cooperation and employee confidence were considered the greatest stumbling-blocks to effective counseling, so the hearty acceptance of counseling by both of these groups was felt to be the best indication of its success.

The report of one company which has had personnel representatives acting as liaison officers between the operating departments and mill personnel department since 1935 was:

"Our experience to date has been so favorable with this service to supervisors that employees and supervisors alike object very strenuously to any attempt to

curtail it. Our tendency during these trying times has been rather to expand the service, particularly in departments where there is an increasing number of new employees. . . . "

### *Statements as to Present Value*

OTHER statements as to the present value of the counseling service for supervisors and employees were also accompanied by information suggesting the continued expansion of the service. A number of companies which were expecting to employ a larger percentage of women reported that counselors would be placed in additional departments. In certain other firms where the counseling service to men and women was undertaken somewhat experimentally in one plant, the program is now being extended to other plants. A few companies, on the other hand, indicated that they believed their plant expansion to be at a peak and foresaw no need to increase the present number of counselors. Only one suggested any plan for reducing or discontinuing the counseling service in the near future.

Many comments pointed out the value of special assistance to employees throughout the war period and during post-war readjustment. The use of counselors for exit interviewing and their cooperation with community agencies suggest many specific services they might render to help management help employees meet lay-offs, job changes, and moves to other communities in the immediate post-war period. The value of well trained counselors to work with management and rehabilitation agencies in the satisfactory placement of returning veterans was stressed in particular.

### *The Long-run View*

A COMMON feeling among counselors and personnel executives is that the services provided by a counseling program meet a definite emergency need which will recede as employment conditions become more stable after the war. A considerable number of executives, however, expressed the opinion that counseling is likely to become a permanent part of the personnel program. Their comments, by and large, expressed a considered opinion that counseling brings a certain new emphasis to personnel management which may contribute to the satisfaction of employees in their work in normal times as well as in wartime.

Any careful estimate of the future of employee counseling in industry must take into account what counseling adds to previously accepted personnel functions, and through what procedures the new aims might best be attained. It brings up basic questions of the personnel responsibilities of supervisors, of the position of the personnel staff in an industrial organization, of opportunity for employee expression through union or union-management activities, and of the extent to which industry should undertake social services and psychotherapy for its employees.

As pointed out in Chapter II, counseling programs in war industries are to a considerable extent an expansion of a number of services previously available in some degree through line supervision and the regular personnel staff. However, most



counseling programs which are more than an informational service give an increased emphasis to the need to consider the employee as a whole human being and not just as a worker. This emphasis is revealed in two ways: (1) the recognition of an industrial organization as a composite of many social units, and (2) efforts to help the individual worker with emotional maladjustments affected by the working environment or affecting his efficiency on the job. It has been suggested that the development of specific activities based upon these considerations is as "good business" as a pension plan or other personnel programs which attempt to give the employee a sense of security.

### *Two Developments so Far*

THE specific procedures thus far evolved are: (1) the extension of the personnel staff into the production department where the personnel representative can become an accepted member of the group helping both supervisors and employees to function more effectively, and (2) the technique of interviewing to facilitate individual adjustment. Both have been most carefully and extensively developed in the Western Electric Company, but other companies, also, have adopted one or the other or both of these procedures. Some companies with provision for employee interviews do not approve of the placement of interviewers or any other personnel representative in the operating departments, and some with personnel representatives in the production departments are not at all in sympathy with the idea of psychotherapeutic interviewing in the company.

There are wide differences of opinion on these two specific developments. There are also disagreements as to whether counseling should be adopted as a permanent "humanizing agent" in industry, or whether all that is needed is a more understanding approach to the individual in personnel procedures, in supervision, and in all contacts between management and the employees.

Few executives question the fundamental principle that personnel relations are an integral part of management and that the foreman cannot be relieved of his responsibility to maintain satisfactory human relations in his department. Practically, this means that the supervisor must be able to help a new employee feel at ease on the job, as well as handle training, transfers, rating, promotions, and discipline. It means also that he will be a better supervisor if he can understand and sympathize with the employee's off-the-job activities and problems. However, the foreman can hardly be expected to be a specialist in any particular off-the-job problem confronting a worker. In so far as a firm wants to provide special services to its employees, either on an emergency or long-run basis, these should logically be considered special functions to be handled by the personnel department.

### *Some Criticisms*

EVEN with the informational, advisory, and therapeutic aspects of counseling clearly distinguished as staff functions set up to aid the employee and the super-



visor, some criticism has been levelled at counseling as a relapse into paternalism and welfare work. It is of interest to note that a few personnel executives and outside observers, but only one of the union officers from whom information was received, suggested that a number of the activities being handled by company counselors might better be handled by the local union. One comment suggested that the fact that the employees preferred to secure help from the employer rather than through the union or an outside agency showed a degree of dependency that invited paternalism.

Other comments have suggested that if management intends to continue to help its employees through counseling, it must consider carefully not only its own internal company relationships, including union-management activities, but also its relationships with community social agencies and with the medical profession. Many counselors have stated that the narrow vision and restricted functioning of the company medical department made it impossible for the employee to get any advice from the department as to outside medical care for non-industrial physical or mental ills. Counselors have been helpful in supplying information as to available medical services in the community. However, the question is raised whether a company should employ a non-medical counselor to provide such help, or, instead, should improve its medical organization and seek a closer cooperation with all medical services useful in the maintenance of employee health.

There are wide differences of opinion, also, as to the extent to which counselors should provide other direct services to employees and supervisors, and the extent to which they should act only as a referral agent and coordinator between employee needs and community services. Experienced personnel executives have suggested that the soundness of decisions on such questions depends on the ability of the personnel staff to give management well informed advice on employee and community developments, and on an acceptance of the primary function of all personnel activities to assist and strengthen the line organization. If counselors are to become a permanent part of the personnel staff, then, it is believed, they should be individuals sufficiently well qualified to give constructive aid to good personnel relations in the plant and to represent management in cooperative efforts within the community.

### *Substitute for Inefficient Supervision*

A STUDY of a development as new and as experimental as employee counseling necessarily ends with many unanswered questions rather than definitive conclusions. The questions mentioned above are not so much criticisms of counseling for industrial workers in wartime as guides in determining the reduction or extension of counseling programs in post-war years. For the long run, management is not likely to accept as a matter of course the ineffectiveness of supervision in personnel matters, nor to extend its personnel activities haphazardly into social case work and psychotherapy. The lasting effect of today's valuable experiments in counseling may be a greater emphasis on human relations throughout management and supervision. It may

also indicate the need for a more clearly defined specialized function to help the individual employee and to prevent serious maladjustments. The degree to which this specialized function will be handled within the personnel department of a company or through greater cooperation between the company, the community services, and the union will be determined by management, employee, and union attitudes, the location and size of the plant, the availability of community services, and many other factors. For the present, management study, both of relationships within the company personnel organization and of community services to their employees, will assure a better program of employee counseling during the emergency.

### Comment

**T**HE above gives an outline and the main conclusions of a report on employee counselling as it has developed and is used in American Industry today.

To our mind, apart from the detailed description of different methods used by different industries, and the government, the most important point raised is contained in the sentence, "For the long run, management is not likely to accept . . . the (continued) ineffectiveness of supervision in personnel matters."

The necessities of fast war production called for the use of supervisors who knew production methods, but little else about supervision work. It also caused supervision to be spread too thin. Hence many companies found it necessary to supplement supervision with counselors.

But this problem of getting good all-round supervisors is an old and a basic one. The experimental counselling work of the Western Electric Company was not designed as a permanent substitute for or supplement to regular line supervision. It was and is an attempt to discover what had to be done to get the line organization to do the whole job of factory management properly—supplemented of course by such technical personnel work as hiring, records, etc.

Counselling experience is, however, raising the question as to whether this is possible or not. That is to say, with modern complexities of industry it may be found that the line organization's job must be restricted to matters in which it has recognized competence. And the other parts of supervision must be handed over definitely to specialists, such as counselors.

It looks as if a trend in this direction will continue after the war in view of the fact that industry will employ the millions of men who will be released from the armed forces. Many of these will never have known any discipline other than that of the army and navy, and those who have had industrial experience will have become used to army discipline. When freed from this strict discipline into the freer atmosphere of industrial employment an explosive situation will be set up, which can only be kept from exploding by special measures set up to aid in the adjustment from one type of discipline to another. Counseling looks as if it might be the method which can at least aid in accomplishing this.

The Princeton report is an excellent one, and should be read and referred to by all personnel men who have a sense of their responsibility for aiding in the solution of human problems in industry. Its contents should also be brought to the attention of top executives.

The report may be obtained by writing to the Industrial Relations Section, Princeton University, Princeton, N. J. The price is \$1.

We Dare Not Assume that Surrender of the Axis Powers will Deliver to John Q. Citizen the Freedoms He Wants. It Will Deliver to Him the Opportunity to Achieve these Freedoms. Postwar Planning Deals with This Opportunity.

# Bold Plans for California

BY ALEXANDER R. HERON

State Reconstruction and Reemployment Commission  
Sacramento 14, California

IN THE midst of war, California's Governor and Legislature drew the first sketches of bold plans for California after victory. They set aside large amounts of the State's current income, to pay for needed public works after the war. They initiated a bond issue to help California Veterans to buy homes and farms. They provided money and authority to help Veterans secure their rights to rehabilitation. They provided money and authority to help Veterans educate themselves for peacetime jobs. They created the Reconstruction and Reemployment Commission and marshalled the resources of every department of State Government to plan for the postwar days. They gave to the new Commission a mandate and responsibility set forth in detail, broader than has ever been given to any other commission in this State.

## *Work of Commission*

IN PREPARATION to meet this responsibility, the Commission has made two significant choices, one as to the manner of its work, the other as to the approach to its work.

The Commission could have chosen to assemble a large staff of planners, economists, statisticians, engineers, and public relations experts. It could have undertaken the preparation of a theoretical master plan for California after victory, with standards and controls in every field of activity. It could have magnified the place of Government expenditures, public works, and the elements of a governmentally planned economy.



*Commission's Job Is to Assist*

**B**UT the Commission chose the opposite method of work. It will operate with a small staff. It will try to avoid duplicating the work being done by any existing State department, any research agency, Chamber of Commerce, trade association, or private corporation. It will encourage and cooperate with every such activity.

The Commission will have no field staff. Its office staff is chosen with a view to helping the hundred agencies, public and private, which are doing research work, business and industrial planning, public works planning. The Commission staff will help to bring together related activities of different groups, will help to interpret that work, will suggest and initiate and encourage additional work by these groups. It will assist in both the development and the realization of sound plans by people or groups who can carry out their own plans.

In the second choice, dealing with the approach to its activities, the Commission could concentrate its attention on the dangers which threaten California after the war. Every problem which faces America is magnified in California. The State has been called upon to furnish an abnormal proportion of the Nation's war production. It has proudly accepted this challenge and produced ships and aircraft in quantities which are incredible. In doing this, it has received into its population what amounts to the greatest mass migration in any equal time in the history of the Nation. When the war ends, a million and a half people may have come from other states into California to make it their home.

*Negative Approach Avoided*

**T**HE Commission could devote all its energies to worrying about the possibility of a million unemployed in the State after the war. It could formulate petitions to the Federal Government to pour deficit money into California, after the war, to take care of these unemployed. After ninety years of urging people to come to California, the Commission could say, for the State, "Too many people have come to California. The Federal Government must take care of them."

The Commission could urge every county, city, and district in the State to prepare plans now for public work to be done solely to relieve unemployment. It could recommend to the Legislature the allocation of great sums of money for direct relief. In short, it could place the emphasis in all its planning on relieving the pain of supposedly inevitable unemployment and poverty.

*Positive Approach Described*

**B**UT the Commission has chosen a positive approach. It refuses to suggest that California is "licked" by this influx of population. Two million new residents came to California between 1920 and 1930, increasing our 1920 population by more than sixty per cent. Perhaps an equal number will have settled here between 1940 and 1950; but this will be less than thirty per cent increase over our 1940 population.



The Commission knows that this increased population can live in California, and can maintain a high standard of living. Its basic approach, therefore, is to urge the people of California to decide on the standard of living which will satisfy them after the war, and then to go to work to create that standard of living.

Whatever the postwar population of California may be, it will have measurable needs for goods and services and facilities, needs which must be met to maintain our satisfactory standard of living, needs which will call for the services of millions of workers. What are some of those needs? How are they going to be met? Who is going to prepare to meet them?

### *Needs of Nine Million*

ASSUMING that our population soon after victory will be nine millions, they will need, and they will have as soon as they can get them, more than three million passenger automobiles. We shall need an important part of our work force to handle the sales, service, and repair of these automobiles. We shall need improvements in our highway system so that the automobiles can be used. We shall need improvements in our traffic control so that they may be used safely. We shall need off-street parking facilities in our cities, large and small, so that the streets may be used for traffic instead of storage.

Our assumed population of nine million people will need certain school facilities. Approximately 170,000 babies were born in California in 1943. They will be going into the kindergarten and first grade in 1948 and 1949. Will our school buildings be ready to receive them, ready to house them safely? Will our force of trained teachers be ready to teach them?

Our increased population will need definite amounts of facilities such as bakeries, department stores, theaters, recreation facilities, hospitals, churches, barber shops and beauty parlors. It will need the services of thousands of doctors and dentists and nurses, lawyers and ministers. It will need new and better transportation facilities in the form of railroads, bus lines, and streetcar lines.

### *Interstate Relations*

THIS postwar population cannot achieve a satisfactory standard of living in isolation. It must buy goods and services from people of other states; possibly potatoes from Idaho, hard wheat from Minnesota, automobiles from Detroit. Besides producing the goods and services to be consumed by its own population, the State must produce great quantities of goods and services to be sold to the people of other States, to be traded for their products which we need.

Great masses of our work force must be enlisted to provide these goods and services to be exported from our State. We take for granted that these will include more of our specialized agricultural crops, more petroleum products, more movies, more tourist accommodations and recreational facilities. They will include also a great variety and quantity of new products which California can successfully provide.

We will need to expand existing industries, redevelop industries curtailed by the war, convert war-born industries to peace-time production, and develop new industries. We will need new fabrications of our mineral wealth, a steel industry of our own, new products of the magic light metals, plastics, silk and other textiles.

### *No Blueprint Possible*

IF THE millions of us who are to live in California could all sit down in one great conference, if we could all agree on the standard of living which will satisfy us, we should probably find that the normal working time of every employable person in our population would be needed to create and maintain this standard of living. But nine millions of us cannot meet in such a conference; neither can nine thousand of us. And because we all cannot meet, and could not agree if we did meet, we shall fall short of making a perfect plan for the California of the future, and we shall fall short of reaching the plans we do make.

If the Reconstruction and Reemployment Commission, or any other group, attempts to draw a perfect blueprint of the California of the future, and hand down this plan as one to be followed by the millions of us who will live in California, we should probably consign the blueprints to a hot fire, and the braintrust which made them to a hotter fire.

### *Grass Roots Planning*

THE power which will come closest to creating the California we want, in the days after victory, is the power of enlightened self-interest. If a beach resort community decides to improve the product which it is offering to the tourists of the world, in order to increase the sale of its facilities and increase the income of its inhabitants, that is sound postwar planning. If the business men of that community will make the necessary investment and do the necessary work to carry out those plans, they will be doing their share to create the California we want.

If the leaders in the garment manufacturing industry agree among themselves that California can fill a bigger place in the apparel manufacturing activities of the Nation, and make plans to identify California as a style center, that is sound postwar planning. If the members of that industry will go to work, as they have already gone to work, and invest the necessary money to make this dream come true, they will make their contribution to the California of the future.

If a group of capitalists and industrialists will plan to take over some great facility built with Government money for the emergency of the war, and devote that facility to the production of articles which our nine million people will need, or which we can sell to the people of other states, that is sound postwar planning. If that same group will go to work now to arrange for the necessary financing, to carry on the necessary negotiations with the Federal agency concerned, to organize the necessary management force and production force and sales force, they will contribute to the California of the future.

If thousands of men will plan to help the State produce its own needs of dairy products, that is sound postwar planning. If each man among these thousands will undertake to locate himself on the farm, if he is not already there, and to add to his dairy herds and dairy equipment, and if he will actually undertake the arduous labor involved, that will be a priceless contribution to improving the standard of living of our State.

### *Industrial Decisions Necessary*

POSTWAR planning for California is the job of all of us who are going to live here. It includes the decision of every adult among us. It includes our decisions on the kind of homes in which we are going to live, and the kind of cities or suburbs or farms. It includes our decisions about the kind of cars we are to drive, the kind of highways on which we drive, and the degree of convenience we shall want for the parking of our cars. It includes decisions about the kind of clothes each of us will choose for himself, the kind of schools to which our children will be sent, the quality of teaching they will receive, and the prices we are willing to pay for these things.

It includes the plans of a corporation for the expanded production and sale of its product, the extension of its markets, from California to Kansas and to Canton. It includes the decision of the man on the farm as to what crops he will raise, the decision in the average home to follow a better balanced diet.

### *Culture Must Not Be Neglected*

BEYOND all these decisions as to physical elements in the standard of living, our postwar planning must include decisions as to the way of life for each of us. It reaches to the use of our recreational and cultural facilities, the service we propose to get from the institutions in the home town or home county. It includes our thinking about benefits we are willing to buy from our schools and churches, our auditoriums and tennis courts, our libraries and our fishing streams. Postwar planning for each of us must span the whole range of those things which make for satisfaction in living. It must be fired by imagination, undertaken with daring, and activated by determination to achieve, each for himself. It must include a plan to struggle and sacrifice for freedom of opportunity to achieve. Each of us must give first place to security to make and achieve his own plans, and reject any offer of security in a way of life planned for him by someone else.

In World War II, we are thinking in terms more definite than "making the world safe for Democracy" for which we fought in World War I, "the war to end all wars." But fundamentally it is the same war for the same purpose.

Our aims have been expressed in the Atlantic Charter, in the phrases of the Four Freedoms. We have studiously avoided the emotional appeal of slogans. But practical Americans, workers and businessmen, have probably talked usually about fighting to protect the American way of life.



*Threat to Our Way of Life*

IF WE think of the American way of life as built upon the Four Freedoms; if we think of it as a set of conditions which permit boys and girls to grow up in safety, to receive adequate education to make their own choices of life work, to enjoy the fruits of their labor; if we think of it as a place where free people cooperate to produce schools, parks, playgrounds, sanitary and other protective services, to be enjoyed by all; if we think of it as a place where men have equal opportunities to earn a living wage by their individual efforts, commensurate with their individual abilities; if we think of the American way of life as being all these things, it was just as seriously threatened before World War II as it was on the day of Pearl Harbor.

Trends which were becoming visible, influences which had been long at work, threatened to destroy the American way of life, if there never had been a Hitler or a Tojo.

*Prodigality by Expanding Nation*

OUR American way of life was a natural one for an expanding nation with an elastic frontier and resources that could be prodigally used. The physical heritage of our land was so rich that we gave free play to individual initiative for nearly one hundred and fifty years, during which we wasted our lands, depleted our forests, skimmed the surface of our mineral wealth, and ignored our water resources. Then the physical frontier was closed. We did not understand the change in our economy, the need for the intensive use of every resource, in order to maintain not only the American standard of living but the deeper foundation of the American way of life itself.

We accepted World War I as an undesirable interruption, after which we could return to the same road we had been following before. We took for granted that when the enemy surrendered, we had made the world safe for democracy. We shut our eyes to the fundamental attack on what we then called Democracy, on what we now call the American Way of Life; the fundamental attack of which World War I was only one phase, and of which World War II is more clearly a part.

The problems, troubles, frustrations, and dissatisfactions which invited the rise of Fascism and Nazism will continue to challenge our American way of life or any other way of life which does not meet the needs of the masses of people. Our American way of life has not met these needs in recent years. It is unthinkable that a Mussolini or Hitler can rise in these United States. It is unlikely that we shall accept the promise of a dictator who offers to end unemployment and want and frustration if only we will surrender to him our somewhat abstract freedoms. It is much more our danger that we may surrender these freedoms little by little, that we may barter the liberties which we cannot eat for the employment and production which will enable us to eat, that we may exchange opportunity for so-called security.



*Two Decades of Waste*

WHEN we failed to see the long-range fundamental attack on our way of life continuing beyond the end of World War I, we entered upon two decades of waste which exceeded in value all the wasting of our physical resources in all our march across the continent.

During the decade of the '20's we wasted half the production of our entire nation in speculative investment abroad which amounted to unwise gifts to other nations, in speculative investment at home which amounted to an orgy of getting rich quickly, in tolerated crime and banditry, and in destructive indulgence which took the place of recreation.

In the decade of the '30's we wasted the potential production of more than one hundred million man years of work. We wasted more man years than we have now spent on the whole of our war production and armed forces in World War II.

In California alone in that decade it is estimated that we wasted, and lost forever, the productive value of over 4,000,000 man years. This would be enough to build twenty Boulder Dams plus thirty Shasta Dams plus a hundred San Francisco-Oakland Bay Bridges plus hundreds of thousands of new homes. Rich as we are we could not afford this waste then, and we cannot afford it again. It is from this last decade of waste that we may draw our lesson for the decade of the '40's.

War planning has been done, and World War II is being fought, to protect people in their freedom to live as they wish, their freedom to speak, to read, to worship, and to grow; and, perhaps most tangible of all, their freedom from want.

*Plan for Avoidance in Future*

POSTWAR planning has an equal place in securing these freedoms. It has a proper time, and right now it must receive a proper and increasing share of our thought and activity. To do no postwar planning until the military war is won is to enter the postwar period with no plans. The situation in which we find ourselves when the war ends will be determined largely by decisions made, plans prepared, and action taken now, during the war. We dare not assume that unconditional surrender of the Axis powers will deliver and guarantee freedom from want, or any of the other freedoms, to John Citizen. It will, we pray, deliver to him the opportunity to achieve these freedoms. Our postwar planning deals directly with the opportunity to achieve freedom from want.

Experience at the Kansas City Quartermaster Depot Has Shown the Value of Certain Placement Practices in Minimizing the Number of Misfitted Ill-informed or Unhappy Workers. These Practices are Suitable for Industry.

# Placement Aids *in Army*

BY SCHUYLER HOSLETT (I)

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THE major aids utilized at Kansas City include adequate placement interviews, an employee orientation course, follow-up interviews and an intra-depot transfer policy. It may be worthwhile to discuss each of these topics briefly.

## *The Placement Interview*

THE interviewer's first thought as he calls each applicant into his office is to put the individual at ease. If any nervousness is manifested, reference to relatives in the armed services usually brings forth a flow of easy conversation. From the application blank and the content of the conversation, the interviewer soon learns whether the applicant has skills usable to the depot.

During the course of the conversation, the interviewer also attempts to learn something of the applicant's work attitude toward his former employers. It is desired to know why he left previous employment—not only his last job but a number of earlier positions as well. He is also asked the number of days lost due to illness during the last two years of employment. And although the answer will always be in the affirmative, for psychological effect the interviewer usually asks the applicant if he can be relied upon to stay on the job if appointed at the depot. As in other war production areas, the records indicate that a large number of applicants have experienced a series of short-term employments.

In those cases where the interviewer and applicant mutually agree upon an employment which seems to utilize the person's highest skills applicable within the depot, and in some cases before mutuality is accomplished, the interviewer outlines

the more significant conditions of employment. These subjects are briefly covered: duration of employment, sick and annual leave privileges, promotional policy, federal retirement, bond and income-tax deductions and significance of year's trial period. Later each new employee receives fuller information on these and other subjects in an orientation course to be discussed. But at this point he receives enough information to initially satisfy him with the prospects of his employment.

### *Orientation Plan*

WITH the completion of the placement process (including securing Civil Service eligibility when necessary and completing physical examinations, fingerprints, identification forms and employment records), the duty of proper orientation is transferred to the supervisor. Orientation includes correct introduction to fellow employees and dissemination of pertinent information as well as correct job instruction. Most supervisors at Kansas City have received Job Instructor Training and Job Relations Training from the depot Training Branch. Since August 1943 that branch has provided another orientation aid to the supervisor through its comprehensive orientation course for all new employees. The course, which consists of six daily one-hour sessions during the first full week of employment, covers these subjects:

### *Six Day Course*

#### *Monday*

History and organization of the depot

#### *Tuesday*

1. Employee welfare
  - a. Insurance
  - b. Recreation
  - c. Counselor service
  - d. Cafeteria
  - e. Suggestion boxes
  - f. Miscellaneous services
2. Training
3. Badges and identification
4. Safety
5. War Bonds
6. Safeguarding military information
7. Articles of War
8. Business courtesy

#### *Wednesday*

1. War Service appointments
2. Holidays

3. Compensatory time
4. Annual and sick leave
5. Normal working hours and overtime
6. Unauthorized leave
7. Retirement
8. Resignation
9. The Employment Stabilization Program
10. Efficiency ratings
11. Classification and promotion
12. Transfer
13. Grievances
14. Questions by employees

*Thursday*

1. Organization and functions of the Army Air, Ground and Service Forces
2. Mission of the Quartermaster Corps
3. The system of Quartermaster depots

*Friday*

Conducted tour of reservation showing assembled shipments and pointing out how the goods flow from the Kansas City depot to troops in the field.

*Saturday*

1. Question and answer session  
Review of any subjects not thoroughly explained in previous hours
2. Suggestions by employees

By limiting each lecture-discussion period to one hour, spreading the periods over a week, and providing materials for outside study in preparation for the next lecture, the new employee is not overwhelmed with a mass of data he cannot hope to absorb. Induction programs consisting of one or two days, each filled with lectures and discussions, often seem to submerge the individual in an ocean of uncomprehended information.

*Follow-up Interviews*

FINALLY, as a test of its original placement job, and as a check on job adjustment and working conditions, the Placement Branch interviews each new employee thirty days after assignment. The reports of these interviews reveal experience and education (as a matter of record), duties performed, job satisfaction, and whether the supervisor properly inducted the new employee to the job in terms of information supplied, human relations and job instruction.

Through review of these reports the interviewer comes to know which supervisors frequently shift their personnel after initial assignment (sometimes leading to incorrect skill usage), which are well-liked or disliked, and the reasons therefore.



A tabulation of follow-up interviews completed at Kansas City between March 10 and September 24, 1943 indicates the kind of useful information revealed by these interviews. Of 207 employees interviewed, all but eleven, or 5%, felt they had been properly introduced to their jobs. As to job satisfaction, 76% were satisfied, 23% disliked one aspect of their employment and 1% was dissatisfied to the point of desiring separation unless the conditions complained about were improved (2).

### *Causes for Dissatisfaction*

THE dissatisfaction was connected in most cases with the problem of work-diversity. Of the 23% (or 47 persons) disliking one aspect of their employment, 24 persons desired some adjustment in the type of work performed:

	<i>Persons</i>
(1) Typists desiring more clerical work.....	8
Typists desiring more stenographic work.....	4
Clerks desiring more typing work.....	2
Others desiring a different type of work.....	7
	—
	21
	<i>Persons</i>
(2) Stenographers desiring more dictation.....	1
Clerks desiring more clerical work.....	2
	—
	24

Class (1) above represents those who wanted a greater portion of their work to be of a different character than that for which they were hired. Class (2) represents those who desired a greater portion of their work-load to correspond to the job designation for which they were employed. Making these adjustments is not always easy in a supply depot where standardized procedures are broken down into small work segments. Many positions consist of a few routine but necessary functions in a clerical assembly line which receives requisitions for supplies, acts upon them, and makes shipment. Inefficiency, in many cases, might be the accompaniment of diversity.

The other types of dissatisfaction for the group of 47 fell into six classifications which are mentioned here only to indicate the value of the follow-up interview in locating specific "sore spots" in administration. (Unless the counseling is carefully carried out, however, employees will frequently give reasons for dissatisfaction which do not represent their real grievances.)

	<i>Persons</i>
Working conditions.....	5
Insufficient work.....	4
Promotional prospects (3).....	4
Hours of work.....	3
Supervision.....	2
Miscellaneous.....	5
	—
	23

*Discussions with Supervisors*

AFTER the interviewer discusses each instance of job dissatisfaction with the employee, he discusses the problem with the immediate supervisor. This procedure provides the supervisor with knowledge of unsatisfactory work situations (from the employee's point of view), some of which are beyond his own knowledge. If the grievance is legitimate every attempt is made to take corrective action; action of one kind or another was taken on all of the cases tabulated above. Furthermore, after each group of interviews the Placement Branch reports its general findings to division chief clerks. This report includes naming supervisors especially liked or disliked by new employees and stating the reasons they gave. The branch also supplies information to the Training Branch to aid it in planning the employee training program.

From both employee and management viewpoints, the follow-up interview is a beneficial device. It measures the employees' job adjustment and job satisfaction, provides machinery for corrective action, and channels information on supervisory and training needs to persons who can utilize it for the general good of the depot. It would appear, however, that further periodic interviews, perhaps at three- or six-months' intervals over the first year of employment, and at least once a year thereafter, would prove very valuable. These would not be so much checks on the placement procedure as surveys of employee attitudes reflecting job adjustment to the work environment and to the supervisory pattern. This would provide a kind of periodic inventory of worker-satisfaction valuable to management.

*Intra-Depot Transfer*

THE Placement Branch is also responsible for all intra-depot transfers. In a depot organization of over 1900 employees there are now some thirty intra-depot transfers monthly; the policy of internal promotion encourages the practice. Of all transfers arranged by the Placement Branch, approximately 20% result from action taken by the branch itself. Some of these will be the result of follow-up interviews and others are suggested by branch records showing employees suitable for better positions, including those occupying jobs with little promotional opportunity. These records are accumulated by the interviewers through their contacts with supervisors and employees. In addition, the branch has a card system showing the unused skills of every employee in the depot. This record shows, in terms of experience and training, the job held, best fitted for, next best fitted for, and other jobs trained or experienced in. When vacancies occur due to transfer, promotion, military furlough or separation, a review of these sources of personnel sometimes reveals capable persons for replacement.

*Employee Counselors*

ANOTHER, and larger, portion of the transfers arranged by the branch are those of persons referred to it by the employee counselors. This group accounts for

35% of the total. As explained elsewhere (4) anyone wishing to resign or to complain of any condition in the depot is referred to the Counseling Section of the Employee Relations Branch. Where feasible, counselors will seek the aid of Placement in transferring employees into new work environments. Most of the persons referred to Placement are those dissuaded from resigning by the counselors during the exit interview.

In speaking of this work, the Personnel Officer at Kansas City mentioned one case "of a girl who just about went crazy typing up the forms on the new applicants for positions—CP 50 and all the other necessary forms. It was just repetition day after day; after she typed up ten or fifteen forms she knew about everyone's history and what he was going to say. She couldn't stand it any longer. Rather than let her go we placed her in the Transportation Division where she is doing an excellent job. We have had ever so many cases like that . . . ."

Another 30% of the transfers originate in the operating divisions themselves. In these cases the Placement Branch effects the transfer desired by the director to or within his division. The final group, probably 15%, originates with those division directors requesting the transfer of employees from their divisions. If the Placement Branch finds it impossible to make use of these employees within the depot, and provided there is sufficient cause, they are separated.

### *Conclusion*

DEPOT supervisors who realize the wartime problems confronted have generally expressed satisfaction with the placement procedures outlined above. The initial interview has been sufficiently unhurried, making for better placement. Applicants for employment, almost without exception, have been treated courteously. In making the job assignment the applicant's highest skills have been utilized wherever possible. The orientation course substitutes knowledge of employment conditions for hearsay. The use of follow-up and reporting techniques has aided supervisors in efficiently directing and coordinating their work units. Action taken by the branch in transferring personnel as a result of follow-up or counseling interviews, or of its own volition, using its own records, has made for adjustments in the whole organizational pattern tending to improve morale.

Future improvements may be expected at Kansas City with the use of advisory placement tests and with the more extensive utilization of the follow-up interview, which is in itself an extremely delicate instrument for measuring employee satisfaction. The interview must be administered with care lest it reflect a positive or negative reaction to certain questions framed by management rather than a free expression of opinion by the employee.

(1) *The writer is greatly indebted to Miss Ruth Ukena, Chief Clerk of the Placement Branch, Kansas City Quartermaster Depot, who supplied much of the data upon which this article is based.*

(2) *The reasons given for these three cases of dissatisfaction: promotional prospects, working conditions and "mental attitude toward depot."*

(3) *It is surprising to find promotional prospects complained about after one month's service. Presumably the incumbent realized the position he occupied probably could not be graded higher, ignoring the possibility of transfer to a different and higher-graded position.*

(4) *See Schuyler Hoslett, "Counseling in a Quartermaster Depot," The Social Service Review, XVII, No. 4 (December, 1943).*

#### *Correction*

The article in the March, 1944 issue of this Journal titled "Talking It Over" was by Mr. C. L. Stivers of the Jewel Tea Company, not C. L. Silvers. We regret the misprint.



Women Can Replace Men in Many Technical Administrative Positions But It Is a Costly Process to Properly Select and Train Them When They Have Had no Previous Industrial Experience.

# Replacing Men *with* Women

BY L. A. GRIFFIN AND MARY SNOW  
Johns Manville Company

**T**HIS has been a tough year for those of us who were connected with the selection and training of women to do men's work. During this period we have made three careful selections of potential order clerks, and run three schools for them; and we have made two selections for trainees for our cost accounting training schools, and taught the trainees. The end of each of these endeavors we call a milestone.

As fill-ins between these milestones, there were the preparation of texts and thousands of practice problems, the selection of instructors, planning the courses, 25 or 30 thousand miles of travel, and the allocation and re-allocation of this trained personnel to fit fluctuating manpower needs. It has not been easy to do this on top of the tremendous expansion in normal operating problems.

## *One Year's Results*

**B**UT on the credit side we have one hundred fine women, sixty of them trained for the very tough job of order clerk and forty trained to help with our cost accounting problems, cost engineering we call it because our cost accountants must go into the plants and study men, machines, and materials much in the same way industrial engineers make surveys—we are very fussy about our costs in these days of ceiling prices and renegotiation clauses.

To help me explain our program and to give you some personal experiences from which you can measure results, I have with me Miss Mary Snow, one of our

cost accountants. I am going to make this presentation in two parts. The first part will deal with the methods of selection and training and it will be given in the form of an interview with Miss Snow as an applicant for admission to the program. The last part will be a conversation with her on the occasion of my checking up on her progress after she has been on the job for several months.

### *Setting the Stage*

Now I'll set the stage for the first part. The time is October, 1942; the place is our Chicago district where I have borrowed an office for interviewing (this is supposed to be it). You will have to assume that Miss Snow came in from Batavia, Ill. to answer a newspaper advertisement directed at intelligent women, that her references have been looked up and that she is in to me for final interview.

She has just passed two previous interviewers who have appraised her and brought their independent appraisals to me. They rate her highly. If I agree I will ask her to take intelligence and aptitude tests which are required of each applicant who is not screened out by interview. Now she is coming into my office—here she is, Miss Mary Snow. (Miss Snow enters).

### *Her Father*

MISS SNOW: Good morning, Mr. Griffin. My name is Mary Snow. I was told to see you next about my application for training in cost accounting. (Pass application.)

MR. GRIFFIN: Good morning, Miss Snow. Won't you sit down. (Mr. Griffin reads application.) I see you come from Batavia. How long have you lived there?

MISS SNOW: All my life, except for the time away at college.

MR. GRIFFIN: What does your father do?

MISS SNOW: He owns the Challenge Co., an agricultural implement company. It has been in the family for 73 years.

MR. GRIFFIN: Is that a large company?

MISS SNOW: Not compared to Johns-Manville. He only has one plant at Batavia, employing 350 men and he has a number of sales agencies scattered through the middle and south west, Africa and South America.

MR. GRIFFIN: Do you have any brothers and sisters?

MISS SNOW: Three sisters no brothers. Two of my sisters are younger than I.

MR. GRIFFIN: Tell me about your sisters. Have they done any interesting things?

### *Her Sisters*

MISS SNOW: Yes, they have. I'm quite proud of them. My oldest sister won the national championship for violin when she was in high school and was given

a \$2,000 scholarship. When she went to college she majored in music and took lots of cost accounting and was good at them both. When she finished college, father had her install a cost-accounting system in his foundry. She has quite an interesting hobby making replicas of famous violins. She has her own workshop in the cellar with over \$300 worth of tools.

My younger sister is married to a golf professional. She and her husband have a golf driving range. She noticed how much time and energy customers spent in bending to get the balls out of pails and teeing them up, so she invented and patented an automatic tee which doesn't require any stooping at all—you just press a button and a ball tees up all by itself.

My youngest sister just graduated from high school. She was president of student government, concert meister of the orchestra, drum major for the band and sports editor for the school paper.

MR. GRIFFIN: You seem to have some talented sisters. Did they get all the breaks from heredity?

MISS SNOW: I hope not, but environment is important also and that I shared equally. Mother and Father always encouraged us in any venture we undertook, even though some did seem rather extreme.

MR. GRIFFIN: What adventures did you have?

### *Herself*

MISS SNOW: The most potentially profitable enterprise was when at the age of eleven the Snow Poultry farm was incorporated. Father and Mother had shares in the company and a sister had the two roosters. I handled all the business transactions, bought the chickens and the feed and kept the books. Father was a fussy investor, always questioning financial statements! The enterprise was very successful until a sudden catastrophe overtook it.—Father's new pointers ate up all the assets.

When I was in high school I had a class of violin students, was concert meister and business manager of the orchestra and President of the Junior class. I only rated second in the national contest for violin soloists—it must have been stiffer competition than my sister had—it couldn't have been me!

MR. GRIFFIN: Tell me, what do you do for amusement and recreation?

MISS SNOW: Lots of things. But if I were to pick two, I'd say music and golf.

MR. GRIFFIN: I like to play golf too. Perhaps if you are successful in this application we could play sometime. What do you shoot?

MISS SNOW: In the middle eighties.

MR. GRIFFIN: In the middle eighties! Hm-m-m. On second thought, it would be better if you played with someone else.

I see you went to Radcliffe. What course did you take?



*Choice of Work*

MISS SNOW: My main interests were in economics and government but I managed to slip in a few courses in anthropology, music and sociology. Outside activities took lots of my time; choral, orchestra which I was president of, all the various athletic teams and student government. I certainly gained some valuable experience about women, there were 79 she-devils in the hall over whom I was the pseudo-disciplinarian.

MR. GRIFFIN: What kind of work would you like to do if you had your choice? We are a big company and have all sorts of jobs.

MISS SNOW: I want to get into personnel work. I'm seriously considering whether to try directly for that field or whether I should first have some experience working side by side with people. What do you think?

MR. GRIFFIN: Well, I don't want to influence you, but gray hairs help an awful lot in personnel work. But let's talk about this job you're applying for. It's really tough. Few women have the ability to do it well. However, there are a few and by careful search we find them.

*Nature of Training*

IF YOU were a successful applicant, your first month would be spent at one of our factories. There you would be assigned to a manufacturing department. You would have three tasks to perform. First you would study the manufacturing processes in that department and write up an engineering report on how the products are made, what equipment, materials, and men are used, how much scrap is produced and why. That report should be sufficiently comprehensive so that anyone who had never seen the manufacturing methods could have a first rate knowledge of them after reading your survey. Secondly, we would want you to study the reports made by that department. We would expect you to know what each report meant so that you would know where to find production, materials used, and labor data. In addition to these two assignments, you would have to study a hundred pages in a cost accounting text and be prepared to take an examination.

But after the first month, things get tough. You would come to New York and go to school; thirty-five hours of class room work a week, and plenty of home work on top of that! More than twice what you have had in college. Your classmates would all be brilliant girls, so the pace of the class would be very rapid. It would be like going to class with a room full of honor students.

Do you think you could carry out your first month's assignments and do you think you could keep up with your class?

MISS SNOW: Mr. Griffin, I know what hard work is, and I never failed yet in anything I tackled.

Would I have to pay my own expenses to and in New York?



MR. GRIFFIN: No. We pay you a salary, all of your transportation expenses to and from New York and we pay your hotel and living expenses while there. In return we ask you to commit yourself to two years of service.

MISS SNOW: Is that a signed contract?

MR. GRIFFIN: No. It's just a gentleman's agreement.

MISS SNOW: As a future personnel woman, I'm interested in your selection methods. I know you looked me up before I came in here today. I've been interviewed by the local office manager and by that very fine woman who knows so much about psychology. Now I'm being interviewed by you. Is there any more to it?

### *Three Hours of Testing Yet*

MR. GRIFFIN: Just three hours of intelligence and aptitude testing.

MISS SNOW: Three hours! You don't take many chances do you? I've never heard of such care in selection.

MR. GRIFFIN: We've found that it pays. If we were to buy a thousand dollar machine that we had never used before, we'd investigate it for days. We believe we shouldn't make snap judgments on people for important jobs who cost us much more each year than the machine does for its lifetime.

MISS SNOW: Well, I'm really interested in this opportunity. May I take your tests?

MR. GRIFFIN: You certainly may. Come back this evening at seven o'clock. (Miss Snow exits.)

### *Hereditary Business Acumen*

THAT ends the first part of the presentation. I hope you have gathered from it something of our selection and training methods.

While this is not a paper on interview techniques, I can't help but point out a couple that I have found to be helpful. The first is knowledge that can sometimes be gained by questions about the abilities of blood relatives. You will recall that a fairly substantial business had been retained in the Snow family for 73 years. During that time it had gone through a number of economic cycles and had weathered every depression. There must have been considerable hereditary business acumen in that family. You will recall the widely diversified talents of Miss Snow's sisters, with mechanical aptitude showing very clearly in two cases. Of course, Mary could have been what the horticulturists call a sport. It did not follow that she would run true to form.

But we knew from her own account of her activities that there were indications of above-average qualities and we knew we could determine others by test. Incidentally, she scored higher in mechanical comprehension than any other woman who has taken the test, and we have tested thousands. I have frequently found this

technique to be helpful. There is a further by-product of questions about relatives—I hired Mary's cost accounting sister.

### *The Challenge Technique*

THE second technique is really a psychological trick. You will recall that Mary was interested in a different kind of work, in personnel work. To gain her interest in this opportunity, and I wanted to, I used the challenge technique. I told her this was a tough job, that the first month was very hard and that it would be followed by an extremely difficult school. I implied she was not one of the very few women who had the ability to be successful at it. Now, if she were not the kind of applicant I wanted, she would have been scared off. If she were, she would react to the challenge. (to Mary: "What was your reaction?" Mary: "You made me mad. I wanted the opportunity just to be able to prove you were wrong in doubting my ability.")

While this is a trick, it should not be labelled as sharp practice as I used it. I sincerely believe that personnel work should be preceded by experience in doing the jobs for which one later employs people. I was not doing Miss Snow a disservice by steering her away from that field. Some day she will get an opportunity to go into personnel work, unless, as I suspect, she finds industrial engineering more attractive. That's all on interview techniques, but the illustrations were so pat, I couldn't help digressing.

### *Follow-up Interview*

NOW I'll set the stage for the second part of the presentation. You'll have to imagine that I am in one of the private offices at the factory to which Miss Snow was assigned. She has been sent for. I want to check up on her progress. Here she is, although if this were actually at the plant she would be wearing slacks, because she spends quite a bit of time in the plant itself. (Miss Snow enters.)

MR. GRIFFIN: Hello, Mary. I'm glad to see you. How do you like your work?

MISS SNOW: If I were any happier I'd blow a gasket.

MR. GRIFFIN: Tell me, Mary, how do you get along with the foreman and the superintendents and with the few remaining men we have on cost accounting work.

MISS SNOW: I think I'm all right now. At first I stuck my neck out a few times, but I've learned. After all I was a pioneer, and every pioneer is entitled to a few mistakes. Incidentally, I've made up a list of Do's and Don'ts for the girls in the second cost school, so they won't fall into the same predicaments. You can use them if you want to.

### *First Error*

MR. GRIFFIN: Let's hear them, Mary.

MISS SNOW: Due to my innate reticence to display all of my ignorance I'll just tell you those experiences that left the deepest impressions.

During my first week on a new job of costing and pricing special items for the asbestos textile department, I got a rush telegram for 1,000 asb. blankets. Just by glancing at the quantity I knew thousands of dollars were involved. I could scarcely wait to grab my identification badge, paper and pencil and dash out to the textile mfg. dept. The Superintendent and I worked feverishly cooking up the types of materials involved, the labor expended and the amount of expense incurred. With all the dope I galloped back to my desk; time was a-wasting; it was already 4:30. With one eye on the clock and the other on the rapidly developing figures, I managed to arrive by 4:45 with a very reasonable price, which I promptly wired out. Then I settled back for a sabatical leave of 15 minutes, feeling quite pleased with the amount of money I had made for Johns-Manville in the last half hour.

### *Ignorance of Company Routine*

IN THE next morning's mail the confirming inquiry in the proper form arrived. Now, I have a separate file for special directive letters and I thought there would be no harm in at least glancing thru to see if any pertained to this particular case. Along about the twenty-fifth one, I ran across the following statement; "All special textile items must not be quoted by the factory until the inquiry has been approved by headquarters." Quietly and unobtrusively I neatly folded the headache and slipped it back into the drawer. Then I turned to my boss and said "Would you consider asbestos blankets a special textile item." "I most certainly would." "Well, then maybe I had better send this to New York." "You certainly had. There's lots of money involved in that inquiry." "O.K."

I filled out the regular request for approval form, put all three copies of the inquiry with it and set it gently on the left hand corner of my desk to await the 4:30 pick up. Then I went on about the daily work. But the darn thing bothered me all day. Somehow I managed to rationalize around to "Well, just because I quoted a selling price by wire doesn't necessarily mean that we are committed to furnishing it. I can request a price on some yard goods from Sears Roebuck but when I come to ordering the material they don't necessarily have to furnish it." By 4:29 I just could not stand the suspense any longer. I spotted the mail boy coming around for the final pickup. I grabbed the inquiry and with a flourish of "here goes nothing", scribbled a note. "This is the confirming inquiry for price of so much, wired on such and such a date."

### *Patient Boss*

THE next morning at 9:05 promptly (it's a lucky thing for me that the New York office begins at 9:00; gives me an hour's headstart) the phone rang. The boss answered it, naturally. I couldn't get the details of the conversation but "asbestos," "textiles," "prices," and a customer's name had a familiar ring to them. Now my boss is a very patient man. He laid the phone down calmly, rapped gently



on his desk to catch my flagging attention and said, "Mary, did you quote on some asbestos blankets?" "Yes, I wired a price." "Was the wire approved by headquarters?" "Uh-h, no." It only took me a half hour to botch the thing, but it took headquarters a solid week to de-quote the price and pacify the customer. My boss didn't say a word, he just looked, and let me tell you there hasn't been a textile item since that isn't shuffled right on to New York.

I suppose the illustration needs no further explanation, just a complete show of ignorance, lack of poise and care. It would have been so simple to have merely asked a few pointed questions.

### *Patience and Perseverance*

I HAVE another experience which I believe illustrates those qualities which a cost engineer absolutely must have, patience and perseverance. I answered an inquiry on a type of material which had been previously figured (or at least that was my contention). Shortly afterwards my boss brought a letter over to me with the warning, "Mary, don't feel too badly about this, but do read it carefully." The letter was addressed to Mr. M. Snow and read, "Although the amount of money involved in this inquiry is little, the principle, that of figuring prices correctly is of utmost importance."

This inquiry, "blah, blah— for four straight paragraphs; summed up in the final paragraph, "Please refigure this inquiry and return to us for pricing." That inquiry shuttled back and forth for over two weeks, each letter becoming nastier until finally it was quoted as it should have been originally. Of course the sales department didn't appreciate the price change and they wrote to me and to headquarters demanding in no uncertain terms a full explanation. I'm sure if I ever meet the charming gentleman from Chicago and we are left in a room alone, only one of us shall emerge alive.

### *Tell It to the School*

MR. GRIFFIN: Well, I guess you have profited by those two experiences. Instead of my telling them to the second cost accounting school, I'm going to ask you to come in and tell the girls. Will you do that?

MISS SNOW: I'd be glad to.

MR. GRIFFIN: How much money are you making now?

MISS SNOW: Oh, I'm doing fine. The combination of that raise you gave me to a base pay of \$1700 and the forty-eight hour week gives me plenty of money.

MR. GRIFFIN: Don't you find the forty-eight hour week quite a drag?

MISS SNOW: Oh, I work at least fifty-four hours. When we finish our forty-eight hours Saturday noon, I go out in the textile department and run a twister for six hours.



*Does Some Factory Work*

MR. GRIFFIN: You do! What do you do that for?

MISS SNOW: Well, we're awfully short of help and way behind on orders, so I feel I'm doing some good. Besides I like to mix with the people in the plant and get to understand them. Incidentally seeing and working on the machinery gives me an understanding about the products with which I deal that is verbally unexplainable.

MR. GRIFFIN: Mary, you're quite a girl. Good luck to you.

*Presented before the Boston Chapter of NOMA.*

When Johnny Comes Home from School He Periodically Brings His Report Card with Him for His Parents to See and Talk Over With Him. He Sees It. Many Companies Keep Their Employee Ratings Secret, and Do Not Even Talk Them Over with Their Workers.

# Report Cards *for* Workers

By EUGENE A. CONKLIN  
Toronto, Canada

ON THE last day of every month the factory workers formed a long queue in front of the personnel office. One by one they made their way to a little window to receive—of all things—their monthly report cards.

Sounds a bit incredible, doesn't it? But in a small eastern factory engaged in turning out a vital war product, the procedure is reenacted on the last day of every month. There the workers receive report cards with marks checking their effort, patience, carefulness and initiative. In addition, the card compares each month's "personal output" with that of the previous month.

## *Suggestion Came from School System*

THE report-card scheme is not a publicity stunt, inasmuch as the factory concerned cannot even publish its name, so vital is their product. It is rather a very clever psychological morale and production booster conceived by a desperate management that faced deterioration in output, due to absenteeism, sluggishness and mental hazards suffered by the workers. And the report-card scheme, in this instance, was a stroke of genius.

It all started when a key executive of the factory found that factory workers were slackening their pace. The quality of workmanship was imperceptibly but none the less steadily deteriorating.

One evening while studying the situation at home, he accidentally came across his young son's report card. It wasn't a good report card but it gave the parent a comprehensive picture at a glance of his son's effort at school. The executive signed

the card and was about to put it back on the table where it was apparently left for him to find, when an idea struck him. Why not try report-cards for the factory workers. These monthly reports would be an infallible index of the individual worker's place in the scheme of things. They would serve as a tip-off when the worker was falling down on the job. And by the same token a laudatory report would send the recipient's morale shooting skyward.

### *Planning the Factory Card*

THE next morning he proposed the scheme to his colleagues of the factory management. It was agreed to give the report-card idea a try. But at the same time the management also agreed that if the report-cards were to serve as "periodic check-ups" they must be more than a mere gesture; they had to be comprehensive. It was not sufficient to indicate that a worker's efforts were not satisfactory, the worker had to be able to discover by reading the report the reason for his or her failure.

The next problem to be solved was who would be the logical individual to rate workers? Obviously it would have to be the foreman. But foremen were human. Personal dislikes and the mood the foreman was in when making out the report might influence markings. In order to overcome this contingency factory foremen were called in, the scheme explained to them and in the course of a pep talk warned that reports based on anything save substantial facts might play hob with Uncle Sam's production needs.

Foremen were in an ideal position, through daily contact with the men and women under them, to observe individual actions as a basis for monthly ratings. If a male worker were listless and half-hearted during his shift obviously his efforts were unsatisfactory. If a feminine toiler was in a chronic hurry to complete each task and get on to another her patience could not be marked with an "S" for satisfactory. The worker who wasn't in command of his wits when an accident occurred, or who was unable to make decisions quickly in an emergency without orders from his superior, was lacking in initiative.

### *Stress and Strain Department*

A "STRESS and Strain" department was established where trained psychiatrists and physicians were available to help iron out in strict privacy, personal worries which might affect a worker's efficiency. Workers were encouraged, through bulletin board announcements, to make use of this department whenever they were in need of service or help, whether financial or otherwise. The department would discuss anything from taxes to securing medical attention for ailments whether trivial or serious.

Workers were advised and reassured that possession of a "bad" report card one period did not mean a black mark against the worker's employment record. No files

were kept; the worker at the end of each year received his or her entire sheaf of monthly reports to do with as they pleased.

Whenever a report was issued which was frankly uncomplimentary to the worker he or she was advised to talk it over with the foreman, and then pay a visit to the "Stress and Strain" department. There masculine and feminine advisors would listen to the worker's story and a solution for the problem suggested.

### *No Apple Polishing*

ONE worker suffered from mental strain because her pet chow dog died suddenly. The "Stress and Strain" got her another chow and her production efficiency improved overnight. Another worker, a male, had to prepare supper for three children because his wife went to work at 4 o'clock, just about the time he left his shift. He was no cook and aware of it. The factory arranged for personal culinary lessons for the gentleman and now his work has improved along with his cooking ability.

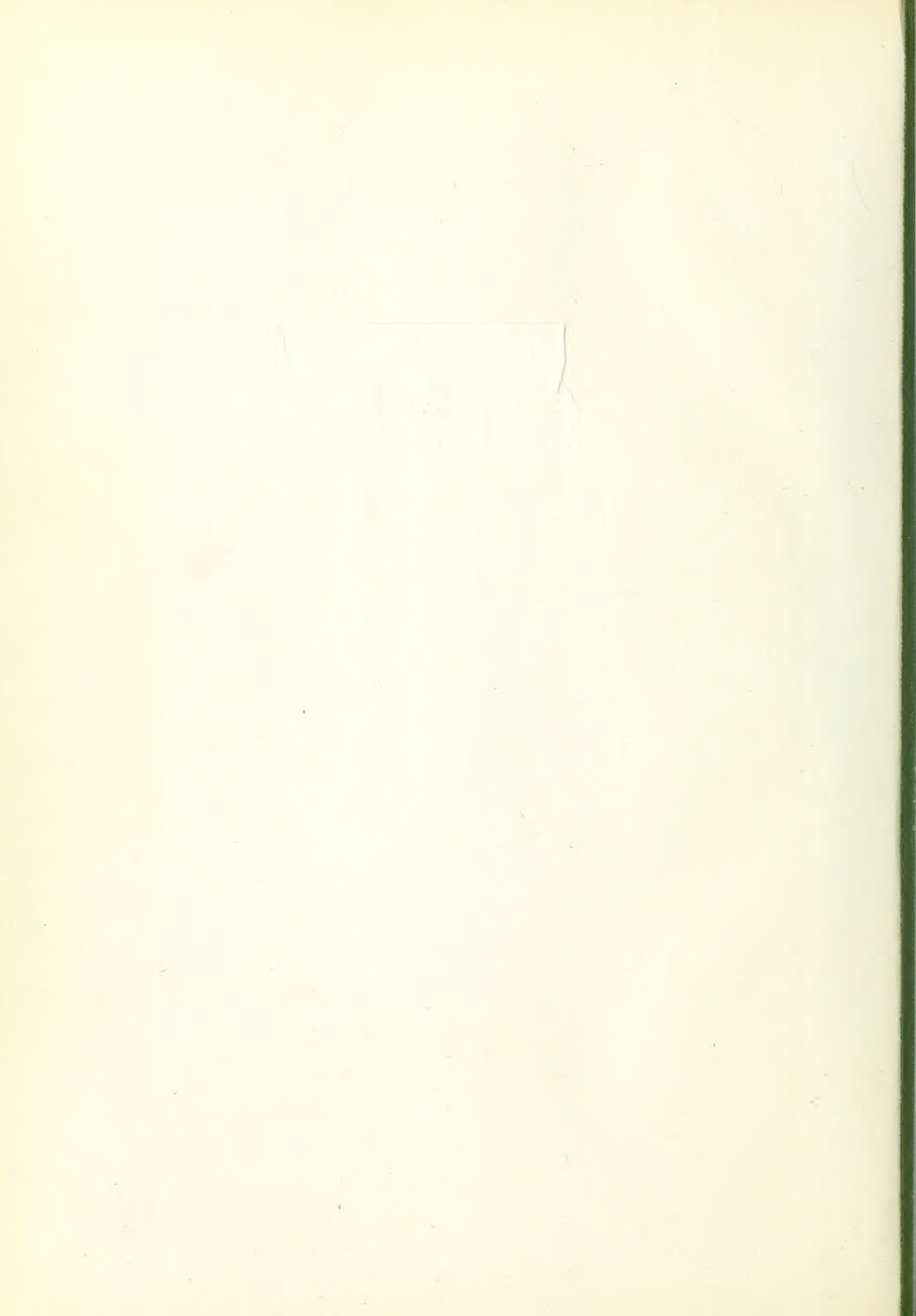
Aside from such individual cases the executive responsible for the "report card brainstorm" found that employees kept on their toes from one report period to the next because they became determined not to flunk in their factory gradings. It stimulated personal competition and keenness to do better than the other fellow. And there was no "apple-polishing" as the foremen could use no substitute for production figures in their departments.













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